



# ***Daily Report***

## **China**

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FBIS-CHI-96-023

Friday

2 February 1996

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January 1996

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# Daily Report

## China

FBIS-CHI-96-023

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**General**

**PRC: Spokesman on Li Yuancu Visa, IPR,  
Asia-Europe Summit**

*OW0202104596 Beijing China Radio International  
in English  
to Western North America 0400 GMT 2 Feb 96*

[From the "Current Affairs" program]

[FBIS Transcribed Text] Disputes with the United States over a visa for a Taiwanese leader, China's efforts to protect intellectual property rights [IPR], along with the upcoming Asia-Europe summit, dominated the first day's Foreign Ministry news briefing in Beijing. CRI's [China Radio International] Yang Lei was there and filed this report:

[Begin recording] [Yang] For the second time in less than one month, the United States has granted a transit visa to Taiwanese leader Li Yuancu [Li Yuan-tsu]. Speaking through his interpreter, Foreign Ministry spokesman Chen Jian said China is firmly opposed to the four-day visa and to Taiwanese attempts to create two China's or one China, one Taiwan. Chen Jian described the transit visa as a pretext to conduct activities aimed at splitting the motherland. He warned Taiwan not to carry on separatist activities.

[Interpreter] We also made solemn representations with the U.S. Government. We demand the U.S. Government to honor a series of commitments made in the joint communiques between the two countries, to strictly confine its relations with Taiwan within a nonofficial scope, and not to create conditions for Taiwan authorities to conduct the above-mentioned activities so as not to create fresh troubles for Sino-U.S. relations.

[Yang] Trade relations between the United States and China also showed signs of stress following accusations by U.S. Trade Representative Mickey Kantor that China is not doing enough to protect IPR. Kantor threatened to impose trade sanctions against China. Spokesman Chen Jian said protecting IPR is a state policy. He said: Since 1979, when China began its policy of reform and opening up, many legislative and legal efforts have been made to protect IPR. He said the country has instituted a legal system of protection, which meets international standards.

[Interpreter] China also signed an agreement on IPR protection with the United States. And recently, the Chinese side has intensified its law enforcement by taking a series of actions to combat piracy. We have regulated the audio-visual and publishing markets, and, in accordance with the law, seriously punished those institutes and factories which have violated IPR. In this regard, we have made evident results.

[Yang] Chen Jian stressed it is unjustified and unreasonable to accuse China of failing to combat property rights piracy.

[Interpreter] I think I should point out here that IPR violations exist in many countries, including the United States. We are willing to exchange experience and further enhance cooperation with other countries, including the United States, on IPR protection. However, to frequently threaten to impose sanctions will not only harm the cooperation between the two sides on the protection of IPR but also will be detrimental to the overall Sino-U.S. economic and trade ties.

[Yang] On other matters, Chen Jian said China's Foreign Minister Qian Qichen is in Bangkok to attend the Asian foreign ministers' meeting. This meeting is being held in preparation for the Asia-Europe summit to be held in Thailand in early March. The spokesman said China is positive and sincere in its participation in the meeting. Chen Jian said the government hopes the meeting will play a positive and constructive role in enhancing mutual understanding and cooperation, as well as forming a new partnership between Asia and Europe.

For China Radio International, I am Yang Lei. [end recording]

**PRC: Spokesman on Li Peng Speech, Transit Visa**

*HK0202071696 Hong Kong SOUTH CHINA  
MORNING POST in English 2 Feb 96 p 10*

[By Geoffrey Crothall in Beijing]

[PTS Transcribed Text for FBIS] China yesterday sought to play down premier Li Peng's omission of the phrase "Chinese people do not fight fellow Chinese" in his Taiwan policy address.

Mr Li's failure on Tuesday to explicitly include the phrase used by President Jiang Zemin in his speech one year earlier has raised concern Beijing is backing away from its position on peaceful reunification.

Foreign Ministry spokesman Chen Jian said yesterday a closer examination of Mr Li's speech would reveal China's position on not fighting fellow Chinese remained unchanged.

"It is never an easy task to interpret or explain the remarks made by leaders. So we should have a closer look at what premier Li Peng actually said," Mr Chen said.

"The premier said (the refusal of Beijing to renounce the use of force) was by no means directed against the people of Taiwan.

"Rather, this was directed against attempts by foreign forces to interfere in China's reunification and attempts by these forces to split China.

"I believe if you make a comparison of these two sentences, the meaning will become clear."

Mr Chen also said the Prime Minister's speech did not indicate Beijing was moving closer to setting a timetable for reunification.

"In the third paragraph of his speech, premier Li said 'the fundamental aim of the Taiwan authorities is the separation of Taiwan from China and creating an independent Taiwan'," he said.

Mr Chen suggested this did not mean Beijing considered that Taiwan had achieved that aim or moved closer towards achieving it.

He attacked the United States for again issuing a transit visa for Taiwanese Vice-President Li Yuan-tzu, allowing him to make a stopover en route to Haiti.

"We have made solemn representations to the US Government, demanding it honour its commitments contained in the three joint communiques and strictly confine its relationship with Taiwan to the unofficial level," he said.

He said the US should not provide the conditions for Taiwan to try to split the motherland and create new Sino-US problems.

On wider relations, Mr Chen warned Washington not to impose trade sanctions on Beijing because of China's failure to adequately protect intellectual property rights.

#### **PRC: Spokesman Urges 'Positive' Response to Jiang Proposal**

*OW0102152696 Beijing ZHONGGUO XINWEN SHE in English 1221 GMT 1 Feb 96*

[FBIS Transcribed Text] Beijing, February 1 (ZHONGGUO XINWEN SHE) — Taiwan authorities must alter their stance by ceasing to split the motherland and providing a positive response to the proposal on the Taiwan issue put forward by Chinese President Jiang Zemin last year.

In reply to questions on whether the People's Liberation Army will hold military exercises in Fujian Province, Foreign Ministry spokesman Chen Jian said that it was a routine manoeuvre and that any concern occasioned to the people of Taiwan was mainly due to Li Teng-hui's international activities designed to create "two Chinas" or "one China, one Taiwan".

In relation to the transit through the United States by Li Yuan-zu, the so-called vice president of Taiwan, Mr.

Chen pointed out that China was resolutely opposed to Taiwan's attempt to create "two Chinas" or "one China, one Taiwan" under the pretext of this transit visit.

The Chinese official said that Taiwan authorities should not go down the wrong path. Mr. Chen revealed that China had made representations to the U.S. and requested the U.S. Government had to abide by the three Sino-American joint communiques which clearly evidence that the U.S. pledge not to create conditions for Taiwan's independence and avoid damage to Sino-American relations.

#### **PRC: Spokesman on Wei Jingsheng, Nobel Prize**

*HK0202054896 Hong Kong WEN WEI PO in Chinese 2 Feb 96 p a2*

[Dispatch from Beijing by staff reporter Han Hua (7281 2901): "Spokesman Says Wei Jingsheng Is Not Qualified To Receive Nobel Peace Prize"]

[PTS Translated Text for FBIS] Beijing, 1 Feb (WEN WEI PO)—With regard to 81 U.S. Congressmen yesterday nominating Wei Jingsheng as a candidate for this year's Nobel Peace Prize, Chen Jian, press spokesman of the Ministry of Foreign Affairs, stated that Wei Jingsheng is a criminal who is serving a sentence. He is not qualified to receive the Nobel Peace Prize.

#### **PRC: UN Representative Views 'Abuja Agreement'**

*OW0102122896 Beijing XINHUA Domestic Service in Chinese 0722 GMT 26 January 96*

[By reporter Gao Jian (7559 1017)]

[FBIS Translated Text] The United Nations, 25 January (XINHUA) — While making a speech in the Security Council on 25 January, in which the Liberian issue was under discussion, Ambassador Qin Huasun, China's permanent representative to the United Nations, appealed to all factions in Liberia to comprehensively execute the "Abuja Agreement" designed to realize national reconciliation there.

Qin Huasun pointed out: The Liberian crisis has now entered a crucial moment. The international community is doing its utmost to help all factions in Liberia restore a cease-fire. Nevertheless, the facts have proven that only when the interested parties genuinely abandon military means and persist in settling conflicts through peace talks can there hopefully be the momentum of peace for "turning hostility into friendship."

He said: "For this purpose, we strongly urge all factions in Liberia to cooperate with the UN and the Economic Community of West African States, strictly execute the already concluded agreement and the Security Council's



relevant resolutions, adopt effective measures, complete the work of disarming and repatriating troops at an early date, and create conditions for the ultimate realization of national reconciliation."

The current Security Council session was held in response to the request of many African states. After all factions in Liberia signed the "Abuja Agreement" in August last year, there was the dawn of peace in Liberia. However, on 28 December, the Liberian situation deteriorated once again, and the peacekeeping personnel of the Economic Community of West African States were attacked by the armed elements of a faction of the United Liberation Movement of Liberia for Democracy. This event hindered the execution of the "Abuja Agreement."

### United States & Canada

**PRC: Glickman Visit Called 'Frank, Constructive'**  
*OW0202120996 Beijing China Radio International  
in English  
to Western North America 0400 GMT 2 Feb 96*

[Report by Xiao Yu; from the "Current Affairs" program]

[FBIS Transcribed Text] Both China and the United States have agreed to work out their differences regarding plant quarantine. This consensus was reached during a two-day Beijing visit by U.S. Agriculture Secretary Dan Glickman. Xiao Yu has the details:

[Begin recording] [Xiao] Quarantine requirements for U.S. wheat exports to China were the key issue during a meeting on Wednesday [31 January] between Chinese officials and the U.S. agriculture secretary. China has found that wheat from seven states in the U.S. Pacific Northwest contains the *tilletia* [words indistinct] or TCK disease. The disease, not yet found in China, is considered dangerous because it may spread to local wheat seed and reduce the grain output.

Liu Congmeng, an official from the Chinese Agriculture Ministry, noted that China's regulations on plant quarantine are in line with international practices. Liu Congmeng said that China has adopted the same quarantine requirements on U.S. wheat and wheat from other countries and regions. The requirements are based on scientific research. He noted that during the meeting between Chinese and U.S. officials on Wednesday, both sides agreed to handle technical issues concerning plant quarantine on the basis of respect for science and friendly consultation.

Liu Congmeng disclosed that with special approval, south China's Hainan will be the only province to import U.S. wheat with TCK disease. But the imported

wheat will be processed immediately into flour upon arrival in Chinese ports. That will reduce the possibility of spreading TCK in China. This indicates that China has adopted a positive and cooperative attitude toward the issue.

Recent years have witnessed progress in Sino-U.S. cooperation in agriculture. Last year, China imported more than 9 million tons of grain from the United States, comprising the lion's share of China's grain imports. Washington enjoyed a trade surplus against China in terms of agricultural products. China has urged the U.S. Government to open American markets further to Chinese agricultural produce. A provision concerning China's exports of Hebei's Yali pears to the United States was reached during Wednesday's talks.

According to Liu Congmeng, import and export corporations from both countries will hold further talks on how to market Hebei's Yali pears in the United States. As to the exports of Xinjiang's Xiangli pears, Liu Congmeng said negotiations are under way and a provision may be reached in the near future.

Overall, the Chinese official noted that the visit by the U.S. agriculture secretary could be described as frank, constructive, and positive. U.S. Agriculture Secretary Dan Glickman held the same view.

[Glickman] My meeting was constructive. We are two countries that have had, over the last 10 or 15 years, some difficulties in our relationship. I think they are improving to some degree. And I'm not here to jeopardize that at all. Our agricultural relationship with China is important in itself but I feel it can be a launchpad or a bridge to resolve other issues and cement the U.S.- Sino relationship.

[Xiao] Dan Glickman said still there are some problems to be worked on but he believed they can be worked out.

For CRI [China Radio International], I am Xiao Yu.  
[end recording]

### PRC: U.S. 'Double Standard' on WTO Ruling Cited

*HK3101074896 Beijing RENMIN RIBAO OVERSEAS  
EDITION in Chinese 23 Jan 96 p 6*

[Article by Yang Yuanhua (2799 0337 5478): "U.S. Double Standard Toward International Ruling"]

[PTS Translated Text for FBIS] The World Trade Organization [WTO] recently ruled on U.S. petrol import restrictions, holding that the United States has violated global trade regulations. This fair ruling, which was aimed at protecting free trade in the first place,

has unexpectedly been subject to fierce attacks from the United States.

The examination and appraisal team, which was made up of three international judges, made the ruling on 17 January, the first since the WTO was set up early last year. The team has supported the appeals of Venezuela and Brazil to the WTO against certain regulations of the U.S. Environmental Protection Agency which adopted a higher environmental standard on imported petrol than on domestic petrol, saying that they have violated global trade regulations.

However, some Americans, who always pay lip service to free trade, have vehemently attacked the WTO ruling. They took advantage of the opportunity to denounce that the WTO was trying to infringe upon the U.S. right to formulate its own set of regulations on such issues as environmental protection and assumed a posture of placing U.S. rules and regulations above those set by the world multilateral trade structure.

Republican presidential candidate Pat Buchanan said in a statement: "The WTO decision....represents a wanton attack on U.S. sovereignty." By coincidence, some conservative institutions and figures have even taken advantage of this opportunity to oppose U.S. membership in the WTO.

This development has worried some people in the economic circles. They are worried that this event will probably encourage U.S. protectionist and isolationist sentiments and strengthen opposition to the Geneva-based WTO and its predecessor GATT [General Agreement on Tariffs and Trade].

U.S. Trade Representative Mickey Kantor originally said he was not sure whether Washington would appeal against the ruling of the examination and appraisal team, but he said in a statement issued on 18 January: "I very much want to appeal against this." However, he also said that before making a final decision he would first consult with Congress and other relevant quarters.

Apart from Buchanan, other Republican presidential candidates including Senate majority leader Bob Dole insisted the Congress should make an assessment of the WTO ruling in a desperate attempt to distance themselves from the WTO. In a telephone interview, Buchanan explicitly indicated that he planned to attack Dole more vehemently than in the past for supporting U.S. accession to the WTO. He said: "During the presidential elections I want to raise the WTO ruling as a major issue." He even urged that President Clinton should openly resist this ruling and immediately withdraw from the WTO.

In spite of this, some people of foresight in the United States hold that promotion of post-war global economic growth should be attributed to freer international trade. As (Gregg Mastel) [ge lei ge. ma si te er 2706 7191 2706. 7456 2448 3676 1422], vice president of the Washington-based Institute of Economic Strategy, put it, the examination and appraisal team which has the right to rule on international trade disputes is probably reasonable because the relevant provisions of the Environmental Protection Agency are actually discriminatory, and he was worried about the possible loss of balance caused by this event.

Former U.S. deputy trade representative (Julius Katz) [zhu li ye si. ka ci 2612 0448 0673 2448. 0595 5412] has made some reasonable remarks, saying: "On many occasions we also have appealed against other countries (for discriminating against American products) but eventually we found satisfactory solutions. We should not approach this ruling with two methods." These remarks have revealed the secret of some people who loudly sing "democracy and freedom": There are always people in the United States who want to pursue power politics in international trade according to their own values and approach trade disputes with a double standard.

### Southeast Asia & Pacific

#### PRC: Li Peng Sends Condolences on Death of U San Yu

BK0102101896 Beijing China Radio International in Burmese 1130 GMT 31 Jan 96

[FBIS Translated Text] Li Peng, prime minister of the State Council of the People's Republic of China, has sent a message of condolences to Senior General Than Shwe, chairman of the State Law and Order Restoration Council of the Union of Myanmar [Burma], on the sad demise of U San Yu, former president of Myanmar [Burma], on 29 January.

The message read, I would like to express my deepest condolences on behalf of the government and the people of China, on hearing the death of former Myanmar [Burmese] President U San Yu. U San Yu was an old friend of the Chinese people and had contributed constructively for the development of goodwill Paukphaw [an intimate and affectionate term conferred on the Chinese by the Burmese people] relations between China and Myanmar. We have lost a very respected old friend with the death of U San Yu. I also send my deepest sympathy to former president U San Yu's wife, family, and relatives.

**PRC: Burma Takes Delivery of 6 Passenger Vessels**  
*OW0202050196 Beijing XINHUA in English*  
*0336 GMT 2 Feb 96*

[FBIS Transcribed Text] Yangon [Rangoon], February 2 (XINHUA) — Six passenger vessels made by China's Shanghai Wu Song Shipyard were formally delivered to Myanmar [Burma] today with a delivery ceremony at the Yangon port.

This is the first batch out of 30 vessels worth 40 million U.S. dollars under a contract signed in November 1994 between Myanmar's state-run Inland Water Transport (IWT) and China's Yunnan Machinery Import and Export Corporation.

Out of the 30 vessels, 23 are made in China and the other seven are to be assembled in Myanmar.

**PRC: Trade With Laos Increased Substantially in 1995**

*BK0102050496 Beijing China Radio International*  
*in Thai 1230 GMT 30 Jan 96*

[FBIS Translated Text] Trade between China and Laos surpassed U.S. \$50 million in 1995, up from some \$40 million-plus for each year in the past two years, said (Xai Wenchu), economic and trade counselor of the PRC embassy in Laos, in a recent interview granted to reporters.

The counselor said China is implementing a policy of reform to open up to the outside world, while Laos is pursuing a restructuring and open-door policy. In the recent past, economic and trade ties and cooperation between China and Laos have developed rapidly and felicitously.

(Xai Wenchu) noted that in 1995, trade between the two countries reached U.S. \$54.22 million — a rise of 34.3 percent compared to 1994. Last year, China exported some U.S. \$47.77 million in goods to Laos, and imported \$6.45 million. He pointed out that China exported primary goods such as machinery, electrical appliances, cars, car spare parts, bicycles, and clothes, and imported logs and forest products from Laos.

In economic cooperation, China ranks seventh among major investors in Laos. He cited statistics released by the Lao Government as saying that by late 1994, China's investments in Laos had reached \$33.8 million. It included a hotel operation, an electrical appliance factory, a cement plant, and a number of pharmaceutical and garment factories.

**PRC: Fishermen Detained by Philippines Return Home**

*OW2901123696 Beijing XINHUA in English*  
*1217 GMT 29 Jan 96*

[FBIS Transcribed Text] Haikou, January 29 (XINHUA) — Four Chinese fishermen returned to this south China's Hainan Province ten days ago after being detained unreasonably by the Philippines for 10 months.

The four, all captains, were the last of the total 62 Hainan fishermen detained by the Philippines to be back home.

Provincial Deputy Governor Mao Zhijun greeted the four and expressed admiration over their firm stand in the struggle for safeguarding state sovereignty.

The four captains and the other fishermen were caught unreasonably by the Philippines last March when conducting normal fishing operations in the waters off the Nansha Islands which are within the Chinese jurisdiction.

The 58 fishermen were released by the Philippines unconditionally last October.

**PRC: China, Vietnam To Restore Rail Links**

*OW3101165796 Beijing XINHUA in English*  
*1642 GMT 31 Jan 96*

[FBIS Transcribed Text] Hanoi, January 30 (XINHUA) — Rail links between China and Vietnam will be restored next month for the first time since 1979, according to documents signed here today.

Under the documents, the first Beijing-Hanoi train will leave on February 12, and the first Hanoi-Beijing train will set off the following day.

The trains will travel via Pingxiang, a Chinese port in the southern province of Guangxi, and Dong Dang, a Vietnamese port.

Meanwhile, another route, via the Vietnamese port of Lao Cai and the Chinese port of Shan Yao in the southern Yunnan Province, will also reopen at the same time.

One of the documents, the minutes on talks on restoration of railway transportation between the two countries, was signed by China's Vice Minister of Railways Guo Lin, who arrived here Monday for a five-day visit, and Bui Van Xuong, Vietnam's deputy minister of transport and communications.

The other, a protocol on boundary railways talks, was signed by senior railway officials from both countries.



**West Europe****PRC: CPC's Wei Jianxing Receives French Communists***OW0102135296 Beijing XINHUA in English  
1331 GMT 1 Feb 96*

[FBIS Transcribed Text] Beijing, February 1 (XINHUA) — Wei Jianxing, member of the Political Bureau of the Central Committee of the Communist Party of China (CPC), met here this evening with a delegation of the Communist Party of France (CPF).

Wei said that he is confident that the visit by the delegation with National Secretary Robert Hue as its head would push forward the development of the friendship and cooperation between the two parties and countries.

He briefed the visitors on the CPC's current efforts in fighting against corruption, improving the Party's work style and building an honest and clean government.

Hue said that the CPF attaches much importance to his current China visit, which is the first of its kind over recent 14 years, and the trip would help the delegation members better understand the great changes that have taken place in China over last decade.

"CPF and CPC have long and sound relations", he said, adding that he hoped more effective cooperation would be conducted between the two parties.

The delegation arrived in Beijing Wednesday [31 January] at the invitation of the CPC.

Prior to the meeting, Li Shuzheng, head of the International Liaison Department of the CPC Central Committee, held talks with the French delegation.

**PRC: Jiang Zemin Receives French Communist Delegation***OW0202082996 Beijing XINHUA in English  
0801 GMT 2 Feb 96*

[FBIS Transcribed Text] Beijing, February 2 (XINHUA) — Jiang Zemin, general secretary of the Central Committee of Communist Party of China (CPC), met with a delegation of the Communist Party of France (CPF) here this morning.

Jiang praised and thanked the CPF for its support to China's reforms, opening up and modernization drive as well as to China's position on such "important issues" as those on Taiwan and Tibet.

Jiang also thanked the CPF for what it has done to promote the development of Sino-French relations.

Extending a welcome to the delegation, led by CPF's National Secretary Robert Hue, Jiang said the Chinese people are familiar with the Communist Party of France.

During the long period of revolutionary struggles, Jiang said, the CPC and the CPF had supported each other and the two parties have "maintained friendly relations under the new historic conditions."

"The CPC is willing to further increase exchanges and cooperation with the CPF on the basis of the principles of independence, equality, mutual respect and non-interference in each other's internal affairs," Jiang said.

By so doing, he added, the two parties may enhance mutual understanding, learn from each other, further the friendship the two parties and two peoples and help promote the "healthy development" of the relations between the two countries.

Hue, also a member of the CPF's Political Bureau, said he was very happy to have the chance to exchange views on issues of common concern with Jiang during his first trip to China.

He said that China with one-fourth of the world's population has made great achievements in developing its economy and in getting rid of backwardness and poverty through reforms.

He told Jiang that the French public are interested in what is happening in China.

"Through the visit, we hope that we may gain more knowledge about China's experience and witness how China deals with challenges, overcomes difficulties and solves problems," Hue said.

The CPF agrees that the two communist parties should further develop their friendly relations according to the principles of mutual respect and seeking common grounds while reserving differences, he added.

The visit of the CPF delegation marks the first China trip by a senior CPF leader in 14 years.

Li Shuzheng, head of the International Liaison Department of the CPC Central Committee, was present at the 160-minute meeting.

## Latin America & Caribbean

### PRC: Roundup on 1995 Relations With Latin America

OW0202000296 Beijing XINHUA Domestic Service  
in Chinese 0152 GMT 25 Jan 96

[Roundup by XINHUA reporter Tong Bingqiang (4547 3521 1730): "1995 — A Year of Rapid Development of Relations Between China and Latin America"]

[FBIS Translated Text] Beijing, 25 Jan (XINHUA) — In the past year, on the basis of five principles of peaceful coexistence, political, diplomatic, and economic and trade relations between China and Latin American nations developed rapidly and entered a new stage.

In 1995, high-level exchanges between China and Latin American nations increased. In the year, Premier Li Peng and Li Ruihuan, chairman of the Chinese People's Political Consultative Conference went on official visits to some Latin American nations. President Jiang Zemin and Premier Li Peng also attended the UN General Assembly and the APEC leaders' informal meeting as well as met with leaders of some Latin American nations during the UN ESCAP summit. Meanwhile, Peruvian, Chilean, Argentine, Cuban, and Brazilian presidents successively visited China, the most number of visits by Latin American nations leaders to China in recent years. During these visits and meetings, the two sides expressed their willingness to further strengthen relations, especially in economic, trade, and scientific and technological fields. The increasing number of high-level exchanges between China and Latin American nations has laid down a good foundation for developing bilateral relations. The exchanges have actively and vigorously promoted bilateral relations.

Bilateral economic and trade relations thrived and import and export trade volume made record in history. According to the announcement of the General Administration of Customs, bilateral trade between China and Latin American nations reached \$6.11 billion last year, an increase of 30 percent over the previous year. Latin America is one of the regions with fastest trade growth with China last year. Trade between China and Brazil, Peru, Panama, Cuba, Argentina, Chile, Mexico, and Uruguay grew fairly large. According to estimates of relevant departments, Sino-Brazilian trade volume would exceed a record \$1.6 billion. Besides, last November, China successfully held the first trade exposition in Honduras, a country which China has yet to establish diplomatic relations. Honduran state leaders not only met with members of the Chinese trade delegation, but also attended the exhibition's opening ceremony. In 1995, China also signed agreements on strengthening

economic, trade, and scientific and technological cooperation with Brazil, Peru, Chile, Cuba, and Argentina.

China and Latin American nations also held frequent cultural, educational, and sports exchanges in the past year. China's cultural and art troupes such as the Yangzhou Puppet Troupe visited the Latin American nations; China held an exhibition on its 5,000 years' of history and civilization in Peru; Anhui Province's Tongling City became a sister city of Chile's Antofagasta; Brazil's Environment Ministry decided to build a Chinese forest park in Rio De Janeiro; and Brazilian and Colombian artists held painting exhibitions and cultural performances in Beijing and other Chinese cities. In addition, China and Latin American nations mutually sent sports delegations for exchanges.

China and Latin American nations are developing nations and currently striving to promote economic development. During his visit last year, Premier Li Peng forwarded five basic principles for developing relations with Latin America. In July last year, Latin America's economic organization proposed to formulate the strategy for developing economic and trade relations with China. The region's economic organization felt that there is a very great potential for trade development with China, and the region should expand and diversify its exports to China as well as encourage mutual investment between China and Latin American nations. When the world economy is increasingly market-oriented and inclining toward globalization, it is felt that economic cooperation between China and Latin American nations will further develop and that the cooperation relations will enter a new development stage.

### PRC: Zhu Rongji Meets With Chilean Ministers

OW0202092596 Beijing XINHUA in English  
0902 GMT 2 Feb 96

[FBIS Transcribed Text] Santiago, February 1 (XINHUA) — Chinese Vice Premier Zhu Rongji and Chilean Foreign Minister Jose Miguel Insulza held talks Tuesday [30 January] to discuss bilateral ties.

Insulza said the Chilean government and its people warmly welcome and attach much importance to Zhu's visit.

He showed his admiration for China's achievements in economic development and expressed the hope that bilateral ties will be further pushed forward.

Since the establishment of diplomatic relations 25 years ago, the two countries, proceeding from the fundamental interests of the two peoples and world peace and adhering to the basic principles governing international

relations, have worked to develop their relations, Insulza said.

The minister also expressed confidence that Such relations will be further strengthened with the expansion of economic and trade cooperation.

Zhu said the two sides enjoyed successful cooperation in various fields in the past 25 years and the scope of cooperation is expanding.

President Eduardo Frei's visit to China in November helped strengthen the Sino-Chilean relations, Zhu noted. And his visit to Chile is aimed at the same goal.

Economics Minister Alvaro Garcia said his country offers to be a window through which China can export commodities to Latin America and hoped that Chile at the same time may increase exports to China.

He also expressed interest in exploring ways with China of expanding cooperation in the field of investment.

Zhu said Chile has always been China's major trade partner in Latin America and the two sides saw rapid growth in bilateral trade in recent years. However, he added, the present trade volume is still not commensurate with their economic strength and there are great potentials.

He said China hopes to expand economic and trade cooperation with Latin America through Chile. The Chinese government encourages Chinese enterprises to invest in Chile and welcomes Chilean businessmen to expand economic and trade cooperation with China.

Zhu also proposed that more Chilean officials and businessmen visit China to enhance understanding.

President Frei met with the Chinese vice premier earlier Tuesday.

Zhu arrived here Monday from Argentina and left here Thursday evening for Uruguay. He will also visit Germany.

**PRC: Zhu Rongji Praises Ties With Chile, Leaves for Uruguay**

OW0202090696 Beijing XINHUA in English  
0826 GMT 2 Feb 96

[FBIS Transcribed Text] Santiago, February 1 (XINHUA) — Chinese Vice Premier Zhu Rongji said Wednesday [2 February] that China and Chile should work hard to develop their cooperation in trade, econ-

omy and technology so as to bring about a constant development in their over-all relations.

Zhu made the statement in an address here before more than 100 people including senior government officials and people from the business sector at the invitation of the Pacific Foundation of Chile.

The speech dealt with China's economic and trade relations with Latin America, and Chile in particular. Zhu said the economies of China and Chile are mutually complementary, and economic and technological cooperation between them has already had a good start.

While China needs products such as copper, fish meal, timber and paper pulp from Chile, China's textile products, home appliances and other consumer goods are welcomed in Chile, Zhu said.

He pointed out that China and Chile have experienced similar situations in developing economy in recent years despite their different national conditions.

While Chile successfully achieved sustained and stable economic growth over the past 10 years and more, China has also succeeded in maintaining a sustained, stable and speedy growth in its productive forces, Zhu said.

When Chile increased its export worth about half of its gross national product through reform and opening policies, China's foreign trade volume reached 280 billion U.S. dollars in 1995 as a result of major reforms in finance, banking, foreign trade and foreign exchange market, he added.

According to official statistics, China had absorbed some 130 billion dollars of foreign investment by the end of 1995 since it adopted open policy for the outside world in 1979. China's foreign reserves in 1995 amounted to 75 billion dollars.

China and Chile have much experience to share in reform, economic construction and macro-control, Zhu stressed.

On China's relations with Latin American countries, Zhu said promoting China's friendly cooperation with these countries is an important part of south-south cooperation and a historical mission as well.

Zhu and his delegation left here for Uruguay this evening.

During his four-day visit in Chile, Zhu visited a sea port, a wine brewery and a copper mine.



### Political & Social

#### PRC: State Reportedly To Announce 'Reunification Timetable'

HK0202054796 Hong Kong CHING CHI JIH PAO  
in Chinese 29 Jan 96 p A9

["Special dispatch" from Beijing by staff reporter Lin Ai-yun (2651 5676 0061): "Central Government To Make Unified Arrangements for Post-1997 Official and Semiofficial Exchanges Between Hong Kong and Taiwan, Beijing To Make Known Its Attitude Toward Taiwan Elections and Reunification Timetable"]

[PTS Translated Text for FBIS] Tang Shubei, executive vice chairman of the Association for Relations Across the Taiwan Strait [ARATS], has explicitly indicated: Post-1997 official and semiofficial exchanges between Hong Kong and Taiwan, including the Hong Kong-based Taiwan visa office and Taiwan-related civil aviation agreements, will be arranged in a unified way by the central government with the participation of ARATS.

Moreover, at a meeting to be held tomorrow (30 January) to mark the first anniversary of the announcement of CPC General Secretary Jiang Zemin's eight-point policy toward Taiwan, the Chinese Government will make public for the first time its attitude toward Taiwan's presidential elections and the reunification timetable worked out by the central authorities.

Tang, who is a member of the Special Administrative Region [SAR] Preparatory Committee, told reporters yesterday that, in line with the seven-point policy on Hong Kong's relations with Taiwan, which was put forward by Qian Qichen last year, there will be no problems for Taiwan's Hong Kong-based nongovernmental institutions, i.e. those which do not carry out registration activities, such as issuing visas, to continue to exist in Hong Kong after 1997, but there will be problems if they engage in activities incompatible with their character. However, the existence of Chung Hwa Travel Service, for example, should be discussed later. It is a travel service in name but it is actually a Hong Kong-based institution under Taiwan's Foreign Ministry.

**Arrangements Will Be Made According to the Principle of Mutual Benefit and Reciprocity [dui deng hu hui yuan ze 1417 4583 0062 1920 0626 0463]**

When asked how issues such as visas between Hong Kong and Taiwan after 1997 would be dealt with, Tang said: Exchanges between Hong Kong and Taiwan will be arranged by the central authorities and in accordance with the principle of "mutual benefit and reciprocity."

He explicitly pointed out: Post-1997 official exchanges, contacts, and agreements between Hong Kong and Taiwan will be arranged, approved, and authorized by the central authorities.

For example, the Taiwan-related international civil aviation agreements, as well as Hong Kong-Taiwan civil aviation agreements, will be handled by the Chinese side of the Sino-British Joint Liaison Group under the Foreign Ministry before 1997, but ARATS will have a hand in matters such as the renewal of treaties or contracts after 1997. However, Tang stressed that, with regard to these agreements, "it makes no difference whether discussions are held or not since this is a matter for the central authorities to arrange. As for nongovernmental exchanges, they will continue to exist because the common people need them and they will continue whether there are discussions or not."

As cross-strait relations are still strained, Tang reckoned that ARATS-SEF [Straits Exchange Foundation] meetings would not be resumed in the near term.

On the question that the Taiwan Government will soon submit the Taiwan-Hong Kong-Macao Relations Act to the Taiwan Legislative Yuan for approval, Tang vehemently censured the act as a reflection of Taiwan's meddling in Hong Kong and Macao affairs and an attempt to make a mess of Hong Kong in coordination with Hong Kong Governor Chris Patten. He said: "What is there that needs Taiwan's meddling? Hong Kong remains prosperous and stable and has close relations with the mainland. What is the need for Taiwan to provide any asylum?"

It is mentioned in the Taiwan-Hong Kong-Macao Relations Act that if someone in Hong Kong and Macao should be subject to political persecution, Taiwan will provide the necessary aid.

Moreover, a meeting to mark the first anniversary of CPC General Secretary Jiang Zemin's speech on Taiwan is to be held in Beijing tomorrow. At the meeting, the officials concerned will make known more specifically the Chinese Government's stand on Taiwan and will express China's attitude toward Taiwan's presidential elections in March, as well as the reunification timetable worked out by the central authorities.

#### Reflecting the Rights and Interests of Taiwan Compatriots Following Joining the Preparatory Committee

Tang said that following joining the SAR Preparatory Committee he would forge closer ties with Taiwan compatriots in Hong Kong and reflect their future rights and interests. Tang has joined the legal and economic panels of the Preparatory Committee.

**PRC: Jiang's Reunification Speech Called  
'Programmatic Document'***OW0202025996 Hong Kong ZHONGGUO TONGXUN  
SHE in Chinese 1145 GMT 29 Jan 96*

[By reporter He Chong (6320 3095): "Special Article: Jiang Zemin's Spring Festival Speech Is the Programmatic Document for Promoting Motherland Reunification"]

[FBIS Translated Text] Hong Kong, 29 Jan (XINHUA) — One year ago at a Spring Festival get-together attended by people from all walks of life in Beijing, Jiang Zemin, CPC Central Committee general secretary and PRC president, made an important speech, entitled "Continue to Promote the Great Cause of the Reunification of the Motherland," in which he put forward a major eight-point proposal for developing cross-strait relations and promoting the process of peaceful reunification. The speech, a programmatic document guiding the great cause of China's reunification, has played an authoritative role in repudiating Li Denghui [Li Tenghui]'s line of "splitting the country and ruling under separate regimes" and his views on "independence of Taiwan," as well as in publicizing the principle of "one China" and "one country, two systems" from last 30 January to date.

President Jiang Zemin's eight-point proposal, called the "eight-point proposal" for short, has incorporated the nine-point proposal for peaceful reunification, made by Ye Jianying in 1981 in his capacity as the National People's Congress [NPC] Standing Committee chairman (shortened as the "Ye Jianying nine-point proposal"); has inherited the guiding principle of "one country, two systems" for solving the Taiwan, Hong Kong, and Macao questions, repeatedly advocated by Deng Xiaoping from 1984 to 1987; and has put forward creative proposals for exchanging visits by leaders of the two sides and welcoming parties and people in various circles in Taiwan to visit the mainland to exchange views concerning peaceful reunification. As the first step toward peace talks, the "eight-point proposal" suggests that the two sides formally end hostility and begin talks "under the principle of one China."

In the Spring Festival speech, President Jiang Zemin emphasized: There is but one China and Taiwan is part of China. We will never allow there to be "two Chinas" or "one China, one Taiwan."

To counter certain views of the Taiwan side, Jiang Zemin said: We consistently stand for achieving reunification by peaceful means and through negotiations. But we shall not undertake not to use force. Such commit-

ment would only make it impossible to achieve peaceful reunification.

In the speech, Jiang Zemin further pointed out in explicit terms: After Taiwan is reunified with the mainland, China will pursue the policy of "one country, two systems". The main part of the country will stick to the socialist system, while Taiwan will retain its current system. Reunification does not mean that the mainland will swallow up Taiwan, nor does it mean that Taiwan will swallow up the mainland. After Taiwan's reunification with the mainland, its social and economic systems will not change, nor will its way of life and its nongovernmental relations with foreign countries, which means that foreign investments in Taiwan and the nongovernmental exchanges between Taiwan and other countries will not be affected. As a special administrative region, Taiwan will exercise a high degree of autonomy and enjoy legislative and judicial powers, including that of final adjudication. It may also retain its armed forces and administer its party, governmental and military systems by itself. The Central Government will not station troops or send administrative personnel there. What is more, a number of posts in the Central Government will be made available to Taiwan.

At any rate, the "eight-point proposal" is fair and reasonable and conforms with the general trend of historical development. Therefore, after its publication, the proposal immediately arouse an enthusiastic response in Taiwan; and the noise for "independence of Taiwan" was completely overshadowed by the tune for China's reunification.

However, Li Denghui, going against the tide of history, obstinately peddled his view of "splitting the country and ruling under separate regimes" and, under the pretext of Communist China refusing to undertake not to use force, rejected the "eight-point proposal," including the proposal for holding talks to end hostility between the two sides.

Meanwhile, Li Denghui stepped up preparations to visit the United States and "to return to the United Nations" as well as arrangements for the "presidential election" in a bid to create the "status of international legal person" for "independence of Taiwan" and the condition of "legal principle" for "popular sovereignty" on the island, thereby thoroughly exposing his true face as an advocate of "sham reunification but real independence."

The "eight-point proposal" played the role as a "demon-exposing mirror" in the Beijing media's repudiation of Li Denghui's advocacy of "sham reunification but real independence." Following Li Denghui's U.S. visit, the XINHUA news agency and RENMIN RIBAO published



a series of more than 20 important commentaries on the basis of the principled stand outlined in the "eight-point proposal," exposing Li Denghui's flowery rhetoric and sophistry and stripping off his mask.

Beijing's public opinion pointed out: Li Denghui's speech at the U.S.' Cornell University, in which he discussed at length about exploring "room for the international existence" of Taiwan, is essentially aimed at "highlighting the existence of the Republic of China on Taiwan," or creating "two Chinas" or "one China, one Taiwan" and seeking international recognition of "independence of Taiwan." However, there is no room whatsoever in the international community for the existence of an "independent Taiwan." "Popular sovereignty" advocated by Li Denghui is actually a political hallucinogen for "independence of Taiwan." As a matter of fact, according to the international law, state sovereignty cannot be separated nor be transferred, and a country can only have one government which exercises sovereignty over its relations with foreign countries. It is very dangerous for Li Denghui to tie the Taiwan compatriots with the chariot of "independence of Taiwan."

History will prove that the path to "independence of Taiwan" taken by Li Denghui is a dead end. Only by returning to the boulevard under the guidance of the "eight-point proposal" can Taiwan have a bright future.

**PRC: 'Press Circles' Study Jiang's Journalism Work Speech**

OW0202054596 Beijing XINHUA Domestic Service  
in Chinese 1421 GMT 1 Feb 96

[By reporter Qu Zhihong (2575 1807 4767)]

[FBIS Translated Text] President Jiang Zemin's recent speech to cadres at and above the division level of the JIEFANGJUN BAO has received high attention from the Chinese press circles. At a forum on this speech held by the All-China Journalists' Association today, persons from the press circles in the capital unanimously maintained that the profound expositions in Jiang Zemin's speech on the guiding ideology, work principles, methods and missions, the art of propaganda, and building of the contingent of journalists in journalistic work are extremely important and of universal guiding significance to our present journalistic work and have made clear the way forward for the development of journalism.

Wu Lengxi, chairman of the All-China Journalists' Association, said: Comrade Jiang Zemin's several important speeches to press circles in the past half month have fully demonstrated the party Central Committee's concern, hope and encouragement for us. Jiang Zemin has repeatedly emphasized that we must attach importance

to politics and uphold a clear-cut principle of party spirit in journalistic work; that journalists should have good political qualities, very strong political perception, and a high sense of responsibility; and that news reports must be more attractive, compelling, and convincing. The rich contents in this series of opinions have proposed an objective of struggle for the press circles for the 21st century.

Xu Guangchun, deputy director of the Propaganda Department under the CPC Central Committee, said in his speech: The significance of Comrade Jiang Zemin's important speech lies primarily in its exposition of the guiding ideology and basic principles that must be followed in the party's journalistic work in the new historical era; it is the basis and a strong weapon for unifying our thinking and understanding in journalistic work. In the meantime, his speech has also expounded the major tasks and basic duties in journalistic work and has pointed out the correct orientation for strengthening the development of journalists' contingent; it is highly principled, theoretical, and systematic. He maintained that the press circles should study this speech in line with reality; enhance their understanding of "statesmen operating newspapers"; emphatically increase their awareness of politics, overall situations, and responsibility; and heighten their consciousness of adhering to the correct guidance of public opinion. He said: This year is the first year for the Ninth Five-Year Plan and the long-term target for the year 2010; it is also a crucial year for accomplishing the ideas for the propaganda and ideological work for the next five years. There are many favorable conditions for us to push journalistic work to a new level. I hope all press units will conscientiously study and implement the guidelines in Jiang Zemin's speech, take measures and make plans for improving the quality, present a number of key and in-depth reports that will have an impact on society, and strive to make 1996 a "year of good works" in which the entire press front line produces one excellent work after another.

Fan Jingyi, editor in chief of RENMIN RIBAO, talked about what he had learned from studying Jiang Zemin's speech. He said: Comrade Jiang Zemin's speech marks the party Central Committee's political requirements on journalists in light of new situation and changes in the new era; it is of profound guiding significance and is congruent with reality. For some time, the tendency of attaching no importance to and ignoring politics did exist in press circles; for example, some people dared to not publicize Marxism-Leninism-Mao Zedong Thought with perfect assurance and some advertised political viewpoints and lifestyles of the West blindly and without analyzing them first. This shows that stressing



politics at present is extremely necessary and important. He maintained: As an official newspaper of the party Central Committee, RENMIN RIBAO's position and role have determined its particularly strong political nature; it must always keep politics in mind, remain sober-minded, and give first priority to upholding the correct political orientation.

Nan Zhenzhong, vice president and editor in chief of Xinhua News Agency, said: Comrade Jiang Zemin's speech has put an important historical question concerning correctly guiding the public opinion before the press circles. The most important thing in solving this question is that we must conscientiously uphold the clear-cut principle of proletarian party spirit and maintain high unity with the party Central Committee. In the meantime, we should also conscientiously study the "efficiency" of propaganda reports, be good at grasping the significant issues around which "the entire society evolves," and meticulously organize reports, so as to strengthen the public opinion's guiding role. He said: The XINHUA NEWS AGENCY is the party and state's major propaganda and media department, which shoulders an important mission in correctly guiding the public opinion at home and abroad. We demand that all news covering and editing staff constantly enhance their political discipline, political perception, and political sensitivity; improve their workstyle and change their style of writing, so that our reportage will play a leading role in correctly guiding the public opinion in a wider scope and at a higher level.

In talking about his study of Jiang Zemin's speech, Yang Weiguang, vice minister of radio, film and television and director of the China Central Television Station, said: To attach importance to politics and uphold the principle of allowing statesmen to operate newspapers and radio and television stations, the most important thing is to concentrate our efforts on the following two issues: 1. intensifying the study and thoroughly understanding the guidelines of the central authorities; 2. going deep into the realities of life and addressing the aspirations of the people. Only by so doing can we turn radio and television stations into an important front of spiritual civilization.

Responsible persons from various major press units in the capital attended today's forum. Also speaking at the forum were Liang Heng, Yang Shangde, Sun Zhongtong, Tong Xiangrong, Xu Zhuqing, and others.

#### PRC: New Journal on Government Organizations Launched

OW0202021396 Beijing XINHUA Domestic Service in Chinese 1115 GMT 29 Jan 96

[FBIS Translated Text] Beijing, 29 Jan (XINHUA) — CHINESE ORGANIZATIONS [ZHONGGUO JIGOU 0022 0948 2623 2845] magazine formally started publication recently. It is the Central Organization Committee's official publication published under the auspices of the committee's office.

The magazine is a comprehensive publication that mainly features reform of the administrative system and organizational reform, as well as a medium that relays the guidelines of important CPC Central Committee and State Council directives and guides various localities in organizational management. It is expected to contribute to deepening the reform of government organizations and establishing a scientific administrative system.

#### PRC: Qiao Shi Views Taiwan Issue, U.S. Involvement

HK0102072796 Singapore LIEN HO TSAO PAO in Chinese 11 Jan 96 p 14

["Special article" by special contributor Chen Yu-wei (7115 2589 3634): "Qiao Shi's Remarks Spread Dark Clouds Over Taiwan Strait"]

[PTS Translated Excerpt for FBIS] The strained situation in the Taiwan Strait and the crisis in cross-strait relations since last spring and summer are not only causes of grave concern for Chinese on both sides of the strait, they have also been followed closely by all Chinese residing abroad. Out of the overall interests and future development of Chinese on both shores, people are opposed to China's split and Taiwan's independence and they hope to resolve the cross-strait deadlock as early as possible and avoid confrontation and conflict between the two shores. They are ready to do their utmost to play a small role in increasing cross-strait understanding in a complex and delicate situation.

It is under such circumstances that Professor Wang Chi [3769 0370], a Chinese American academic having relations with both sides, twice visited Beijing in four months, where he met Chinese leaders Li Ruihuan and Qiao Shi, and later visited Taipei, engaging in shuttle activity between the two shores. Some of the important messages he made through the media have aroused people's attention.

Professor Wang is my friend of many years standing. In a telephone conversation on the third day after his return to the United States, he talked freely of his experience

during the trip, with the topic centering on his conversation with Chinese leaders and his impression after the meetings. His main impression was Beijing's very grim stand on the Taiwan issue, its extremely skeptical attitude toward and lack of confidence in Li Teng-hui, and the determination of the Beijing decision-making authorities to take action when necessary.

Apart from what had been disclosed in newspapers and publications at home and abroad, Professor Wang also especially talked to me about some other important things unknown to other people.

### Three Conditions for Peace Talks

Wang Chi said: Chinese leaders are convinced that Li Teng-hui is bent on engaging in Taiwan independence, so they no longer believe his statements on cross-strait talks. Even if Li now says he is ready to talk, Beijing will not talk with him.

Qiao Shi said: If the Taiwan authorities really have the sincerity to show that they will not engage in independence and are ready to hold peace talks with Beijing, they can immediately do three things:

One, agree to the "three communications" between the two shores;

Two, stop pursuing the "pragmatic diplomacy" aimed at winning international recognition; and

Three, confirm [ren tong 6126 0681] "one China."

In Wang's view, Beijing is prepared to use force when necessary and, in terms of a timetable, this is very likely to be sooner than people have imagined. Naturally, if war breaks out both shores will suffer losses, but in Qiao's view, "China is very big. If you attack Xiamen, we still have Fuzhou. Taiwan is only a small place. If Taipei, Keelung, and Kaohsiung are destroyed, what more do you have?"

Qiao added: If fighting begins, there will not be a repetition of the situation whereby fighting alternates with talks as happened during the Chongqing period many years ago. Once fighting begins, it will be very difficult to stop.

There is another new development. In the past, Communist China took Taiwan independence and foreign intervention as two preconditions for the use of force against Taiwan. A considerable number of people on the island originating from other provinces are now worried about their security in the future. With regard to this, Qiao said: If there should be serious developments in Taiwan in the future, such as a large-scale crackdown and persecution of people from other provinces, Beijing will not sit idly by but will take action.

As for the factor of U.S. involvement or intervention, the media have already reported that, in Qiao's view, the United States is not expected to dispatch troops for the sake of Taiwan. In fact, what is more important than this estimate is that Wang learned from his conversation with Qiao that Beijing used to take U.S. intervention seriously, regarding it as an important decision-making factor to be taken into account. But there have been changes now. That is to say, as far as China is concerned, whether or not the United States intervenes no longer plays a decisive role. If it is necessary to act at that time, Beijing will still act even if the United States is involved. Moreover, according to Beijing's worst-case scenario, even if Beijing should be subject to a nuclear attack, it does not necessarily mean that China does not have retaliatory means. For example, New York is likely to be a target of counterattack.

The outside world is now very concerned about Deng Xiaoping's attitude toward and his role in the Taiwan issue. Wang said that in his two-hour conversation, Qiao mentioned Deng a dozen times or so, holding that Deng's health could be regarded as fine [bu cuo 0008 6934]. Qiao also gave the impression that the policy decisions of Communist China's highest authorities on the Taiwan issue had received Deng's blessing.

After learning that Wang would be going to Taiwan after winding up his Beijing trip, Qiao asked whom he was going to meet. According to Wang, he said he did not want to act as a messenger. [passage omitted]

### PRC: Report on Leaders' Activities 25 Jan-1 Feb OW0202061696

[FBIS Report] PRC media monitored from 25 January to 1 February carried the following reports on PRC Central leadership activities. The source is noted in parentheses after each report.

**Song Jian Addresses National Meteorology Meeting**  
— Speaking at the national meeting of weather bureau directors the other day, State Councillor Song Jian urged meteorology departments to do a good job in forecasting floods and in their other work this year to ensure a good harvest. He pointed out that the Ninth Five-year Plan is crucial for China's economy and social development, which, along with improving the standard of living, puts greater demands on the meteorology services. He noted that meteorology departments must persist in emphasizing agriculture and giving top priority to modernization of meteorological facilities. (Beijing XINHUA Domestic Service in Chinese 0752 GMT 25 Jan 96)

**Book Prefaced by Jiang Zemin Studied in Sichuan**  
— The Central Group [zhong xin zu] of the Sichuan



Party committee met on 26 January to study "Basic Knowledge About Use of Foreign Capital in China," which was prefaced by Jiang Zemin and compiled under the charge of Li Lanqing. Xie Shijie, secretary of the Sichuan Provincial CPC Committee, delivered a summing-up speech at the meeting. (Chengdu Sichuan Television Network in Mandarin 1130 gmt 26 Jan 96)

**Li Tiesing Inscribes for Seminar** — The State Council's Development Research Center and the Wuhan City Government sponsored "Seminar on Strategy for the Development of Wuhan and Central and Western China" in Beijing today. State Councillor Li Tiesing wrote an inscription for the seminar. Fei Xiaotong, vice chairman of the NPC Standing Committee; Wan Guoquan, vice chairman of the National Committee of the Chinese People's Political Consultative Conference [CPPCC]; and Chen Jinhua, minister in charge of the State Planning Commission, attended the seminar. (Beijing ZHONGGUO XINWEN SHE in Chinese 1051 GMT 29 Jan 96)

**Song Jian Attends Science Award Ceremony** — A total of 795 science and technology projects were awarded National Natural Science Prizes, National Invention Prizes, and National Scientific and Technological Advance Prizes under the 1995 National Science and Technology Awards in Beijing today. Present at the awards ceremony were Vice Chairmen Li Peiyao and Wu Jieping of the National People's Congress [NPC] Standing Committee and State Councillor Song Jian. (Beijing XINHUA Domestic Service in Chinese 1123 GMT 29 Jan 96)

**Jiang Zemin, Li Peng Receive Science Award Winners** — Jiang Zemin, general secretary of the CPC Central Committee and president of the state, and Li Peng, member of the Standing Committee of the Political Bureau of the CPC Central Committee and Premier of the State Council, received winners of the 1995 state science and technology awards today at the Great Hall of the People in Beijing. Leading comrades also present at the award ceremony were Jiang Chunyun, Wen Jiabao, Li Peiyao, Wu Jieping, Song Jian, Chen Junsheng, Qian Weichang, and Zhu Guangya. (Beijing XINHUA Domestic Service in Chinese 1126 GMT 30 Jan 96)

**Li Tiesing Inspects Winter Games Readiness** — On 29 January, six days before the opening of the Third Asian Winter Games, Li Tiesing, member of the Political Bureau of the CPC Central Committee and state councillor, inspected facilities and preparations for the games in Harbin, Heilongjiang Province. (Beijing XINHUA Domestic Service in Chinese 1424 GMT 29 Jan 96)

**Jiang Zemin, Ding Guangen View Chinese Opera** — Jiang Zemin, general secretary of the CPC Central Committee and president of the State, and Ding Guangen, member of the Political Bureau and Secretariat of the CPC Central Committee, viewed Chinese opera "Cang Yuan" [Gray Plain] in Beijing this evening. Zeng Qinghong, director of the General Office of the CPC Central Committee, and Liu Zhongde, minister of culture, also attended the performance. (Beijing XINHUA Domestic Service in Chinese 1544 GMT 29 Jan 96)

**Huang Ju Attends Naming Ceremony** — The Central Military Commission [CMC] named Wu Mengchao "Exemplary Medical Expert" in a ceremony at the Shanghai No. 2 Army Hospital on 29 January. General Wang Ke, member of the CMC and director of the General Logistics Department, read an order signed by CMC Chairman Jiang Zemin conferring Wu the honorary title of "Exemplary Medical Expert." Huang Ju, member of the Political Bureau of the CPC Central Committee and secretary of the Shanghai Municipal CPC Committee, Mayor Xu kuangdi, and Deputy Secretary Chen Zhili, and Vice Mayor Xie Lijuan were present at the ceremony. (Shanghai People's Radio Network in Mandarin 2300 GMT 29 Jan 96)

**Zou Jiahua Attends Loans Agreement Signing Ceremony** — A loan agreement was signed today at the Great Hall of the People in Beijing between Henan's Anyang Color Display Tube Company and an international banking consortium. The \$71.3 million syndicated loan from the consortium of 12 banks in eight countries and regions including the Bank of China will be used to finance the second phase of the display tube manufacturer's construction. Zou Jiahua, vice premier of the state council, was present at the signing ceremony. (Beijing XINHUA Domestic Service in Chinese 1205 GMT 30 Jan 96)

**Wen Jiabao Attends Spring Tea Party** — The Science, Education, Culture, Public Health, and Sports Committee under the CPPCC National Committee and the China Association for Science and Technology sponsored a tea in Beijing today for 400 or so scientists and leaders of all quarters who have a keen interest in science and technology. Wen Jiabao, an alternate member of the Political bureau of the CPC Central Committee and a member of the Secretariat of the CPC Central Committee, spoke, extending spring greetings to the scientists. Also present at the tea were Qian Zhengying and Zhu Guangya, vice chairmen of the CPPCC National Committee; NPC Standing Committee Vice Chairman Buhe; Song Jian, state councillor and minister in charge of the State Commission for Science and Technology.



(Beijing XINHUA Domestic Service in Chinese 1120 GMT 30 Jan 96)

**Song Jian Addresses Forum of scientists** — State Councillor Song Jian attended a forum of national award-winning scientists at the Great Hall of the People today. He urged the scientists to make still greater contributions in rejuvenating the nation by applying scientific and technological advances and promoting education and in effecting the shift of the economic system and economic growth mode during the period of the Ninth Five-Year Plan. He noted that the science and technology sector must continue implementing the policy is to "hold fast to one end and leave the whole field open" by redoubling research efforts in basic science and for the development of new and high technology. He stressed the importance of bringing up more scientific and technological personnel to make development in all sectors more deeply rooted in scientific and technological progress. (Beijing XINHUA Domestic Service in Chinese 1139 GMT 30 Jan 96)

**Zou Jiahua, Song Jian at Geology Award Ceremony** — A ceremony for giving out the fourth Li Siguang Geology Science Award was held in Beijing this afternoon. Vice Premier Zou Jiahua and Song Jian, state councillor and minister in charge of the State Commission for Science and Technology, conferred awards to the winners. (Beijing Central Television Program One Network in Mandarin 1100 GMT 31 Jan 96)

**Chen Junsheng Inaugurates for Hong Kong Fund** — State Councillor received a delegation of the Hong Kong's China Spark Fund this afternoon. He wrote an inscription: "Poverty Relief Is a Great Enterprise that Will Benefit Generation After Generation" for the fund. (Beijing ZHONGGUO XINWEN SHE in Chinese 1208 GMT 31 Jan 96)

**Li Lanqing Meets Japanese Visitor** — Vice Premier Li Lanqing met with a delegation of Japan's Friendship Tourism Agency headed by its president Otani Takeshi at the Great Hall of the People today. (Beijing XINHUA Domestic Service in Chinese 1214 GMT 31 Jan 96)

**Fu Quanyou Attends Naming Ceremony** — The CMC conferred the honorary title "exemplary science and technology officer who dedicates himself to the modernization of national defense" on Huang Binghua in a ceremony held today at the headquarters of the Strategic Missile Units. On him on behalf of the CMC, Fu Quanyou, member of the CMC and Chief of the General Staff, read an order signed by CMC Chairman Jiang Zemin and conferred certificates of merit and prizes. Yang Guoliang, commander of the Second Artillery Corps and Political Commissar Sui

Yongju also spoke. (Beijing XINHUA Domestic Service in Chinese 0926 GMT 1 Feb 96)

**PRC: Regulation Issued on Tax-Evading 'Artists'**  
*OW0202045096 Beijing XINHUA in English*  
0238 GMT 2 Feb 96

[FBIS Transcribed Text] Beijing, February 2 (XINHUA) — China's Culture Ministry and the State Administration of Taxation (SAT) have jointly issued a regulation to punish performing artists who evade taxes.

Apart from being fined by tax authorities, serious tax-dodgers will be banned from performing for a period of six months to a year, according to the regulation.

The regulation also authorizes tax bureaus nationwide to decide methods for collecting personal income taxes from artists who give performances in recreational centers and dance halls.

**PRC: Corruption Linked to Outlook on Life**  
*96P30101A Beijing RENMIN LUNTAN in Chinese*  
No 11, 8 November 95 p 26

[Article by Chen Qiju (7115 0366 3515): "Anti-Corruption and Moral Education"]

[FBIS Summary] Corruption corrodes the party and state and can be eliminated by removing its root cause through ideological education, and by strengthening the legal system. Corruption stems from party members' distorted social values such as "selfishness," "a profit before all else mentality," "the principle of benefiting at the expense of others," and by making "the pursuit of pleasure" the highest goal of life. These are the values of the exploiting classes and run contrary to the proletarian values that stress the collective interest above all else, advocate selflessness, and serving the public. Contrary to the beliefs of some people, a society having a market economy still needs moral education as a better legal system alone cannot prevent individuals from breaking the law. One wonders how it is that under the same socialist system, some officials are honest while others have become corrupt.

Although the process of reform has brought new life to the party, it has also provided opportunities for it to be corroded by "corrupt capitalist ideology and culture." The market economy's principles of exchange at market value, and profit-seeking have broken into the political arena where they are mainly manifested by a few corrupt party cadres whose outlooks have been influenced by the values of the exploiting classes. The growth and spread of corruption has been caused by a few cadres' desires for wealth and pleasure which have led them to trade power for profits. To overcome this negative

effect of the market economy, and to raise the political ideological quality of party cadres, "the problem of the world outlook and moral values of party cadres must be resolved."

During reform, the party has achieved good results in upholding the policy of "grasping with two hands and maintaining a firm grip with both." Although the main direction of party cadres is positive, among party and government organizations there are still manifestations of "money worshipping, pleasure-seeking, and excessive individualism." The pursuit of these values by a small number of cadres has led them to commit crimes, and if these values are allowed to spread, "the advancedness and purity of the party will be lost and ultimately damage its undertakings." "The corrosive capacity of decadent ideology" could be counteracted by educating party cadres in the proletarian values of hard struggle, industriousness, frugality, and serving the public selflessly.

In the anticorruption and clean government campaign, the purpose of moral education will be to check corruption at the outset. To achieve this, all levels of party organizations must stress moral education and combine it with law enforcement and the construction of political and legal systems.

#### **PRC: Shanghai Orphanage Head Refutes Human Rights Report**

*OW0102142996 Beijing XINHUA in English  
1340 GMT 1 Feb 96*

[FBIS Transcribed Text] Shanghai, February 1 (XINHUA) — Orphans living in the Shanghai No.2 Children's Welfare Institute are leading happy lives, and it is a sheer fabrication to claim that orphans are transferred there from other places to be maltreated, the institute's president Shen Anbang said.

Shen made the remark after showing a group of Western diplomats around his institute. He refuted the report by Human Rights Watch/Asia that the institute mistreats orphans who have been transferred from the Shanghai Children's Welfare Institute.

"The report was entirely based on a groundless fabrication by a woman named Zhang Shuyun," the president said.

A few days ago the No.2 Children's Welfare Institute was visited by 14 diplomats, including a first secretary of the Embassy of Ireland to China, and the Shanghai-based consulate officials from Britain, the United States, France, the Netherlands, Italy, Austria, Germany, Australia, Japan, and Denmark.

The No.2 institute, covering about 3.3 ha [hectares], is located on Chongming Island at the mouth of the Chang Jiang River.

In the children's dormitories the diplomats saw clean bedding tidily laid out. In the recreation hall some mentally retarded and handicapped children in neat clothes were watching TV or listening to music on the radio.

"We keep them using their hands and brains, which is good for developing their intelligence," a nurse said. The hall was warmed with a coal stove.

On the walls of the nearby corridor were detailed rules and regulations for nurses, which include tidying up bedding, emptying chamber pots and taking care of sick children.

"Nurses who violate the rules are fined and they are absolutely not allowed to beat or humiliate mentally retarded or handicapped children," Shen said.

In a physical rehabilitation house nurses were helping handicapped children do rehabilitation exercises. The children seemed to be happy to see the foreign visitors and waved at them cheerfully.

In a classroom for special education on the third floor a young nurse was holding up some cards to teach mentally retarded children to recognize the numbers from one to ten. "I teach them two class hours a day," she told the visitors.

People both at home and abroad have shown concern and support for the institute's work, Shen said. Many foreigners working in Shanghai have visited the institute and offered donations, such as air-conditioners and clothes.

The diplomats had a discussion with the staff after touring the institute for more than an hour.

The institute has more than 500 beds, accommodating some 40 childless old people, nearly 400 mentally retarded children above the age of 14, and more than 100 handicapped children between the ages of six and 14. In addition, there are over 200 staff members, including 141 medical and nursing personnel, Shen said.

The old people and orphans in the institute enjoy good food, clothes and medical care, he said. "We have specialists in dietary matters here, and ensure that the inmates are properly fed at all times," Shen said.

According to him, there are 23 medical workers in the institute, who are able to handle commonplace diseases. Whenever a serious illness occurs, however, the patient will be sent to a nearby hospital. Handicapped orphans



receive rehabilitation training and special education to improve their everyday competence and intelligence.

The government has been increasing the amount of funds for the institute over the past few years, the president said. Last year the figure stood at four million yuan (about 481,000 US dollars), quite a sum in terms of the present incomes of most Chinese. There are also special allowances for repairing buildings and buying furnishings and equipment.

Referring to the reports in some of the Western media that about 40 orphans had been brought here from the Shanghai Children's Welfare Institute, Municipal Civil Affairs Administration Director Shi Derong said that it was normal to transfer some old folks and orphans from one place to another, depending on maintenance conditions.

When orphans reach the age of 16 at the Shanghai Children's Welfare Institute some will take jobs, but unemployable mentally retarded children will be sent to the No.2 Children's Welfare Institute and three other institutes, the director said.

Asked whether seriously sick children had been sent to the No.2 Institute, where they would be "got rid of", Shi answered, "Definitely not!"

He pointed out: "There is definitely no necessity to transfer very sick children here."

The institute has never tied orphans up, as reported by some Western media, according to Li Yanlin, an official with the Municipal Civil Affairs Administration. Li used to be president of the Shanghai No.1 Psychiatric Hospital.

The institute has to take measures to restrain children with serious mental disorders so that they do not hurt others or themselves, Li said. "This is done in strict accordance with conventional medical practice. And they are never tied up," he said.

Speaking of the pictures contained in the report issued by Human Rights Watch/Asia, Shi Derong said that they were fabricated by Zhang Shuyun by tricking some orphans.

According to the director, Zhang went to work at the Shanghai Children's Welfare Institute in 1988, and was criticized by her superiors and colleagues for negligence. In revenge, she later made up lies against Han Weicheng, the institute's president at that time, accusing Han of mistreating orphans.

Referring to a widely-publicised picture of a child purportedly tied to a bed in the Shanghai Children's Welfare Institute, Shi said, "It is absolutely impossible that

the picture was taken in July 1992, when an investigation team was there checking Zhang's allegations."

City officials concluded that Zhang's report was entirely groundless, and allowed Han to resume work. "I went to the Shanghai Children's Welfare Institute to make the announcement on the resumption of Han's job, and the staff there supported the resumption with warm applause," Shi said.

#### **PRC: Report on 3 Gorges Resettlement Project**

*OW0202094896 Beijing XINHUA in English*  
*0909 GMT 2 Feb 96*

[FBIS Transcribed Text] Beijing, February 2 (XINHUA) — China has lost no time in carrying out resettlement work in the Three Gorges Project so that damming of the Chang Jiang River can be successfully completed by 1997.

"China has put three billion yuan (about 361 million US dollars) into this work since 1993," said a senior official in charge of the work in an interview with XINHUA.

The official said China has lost no time in putting up new residences and infrastructure in preparation for resettling those people displaced by the project.

This year, China will focus on resettling the areas of Yichang, Zigui, Badong and Xingshan in Hubei, and Sichuan's Wushan, Fengjie and Yunyang that will be affected by the damming of the Chang Jiang next year.

Resettlement of other districts in the reservoir area will also keep in pace with the development of the project.

Damming the river in 1997 is the first stage of the project, which is divided into three stages and is expected to be completed in 1997.

In 1992, according to statistics, more than 840,000 people were to be resettled, but the number of people that need to be relocated is growing at an annual rate of 1.2 percent due to the fact that the local birth rate is exceeding mortality rate and because of other factors.

The Chinese Government plans to allocate 40 billion yuan (based on May 1993 prices) for the resettlement. To manage that sizable sum well, the State Auditing Administration and the Ministry of Finance have checked use of the money at periodical intervals, he said.

Premier Li Peng is paying close attention to the resettlement work, and has said that "success of the Three Gorges Project hinges on its resettlement work."

China has set up organizations at various levels to take charge of the resettlement work. In the reservoir area,



each county, city or province has a deputy chief who is held responsible for the resettlement work.

The State Council, China's highest government body, has formulated regulations on the project's construction and resettlement work.

The official went on to say that central China's Hubei Province, where the dam site is located, has completed drawing up the resettlement plan, which has been evaluated by experts and is waiting for provincial government approval.

Sichuan Province, which neighbors Hubei, is also taking active steps to work out a plan for resettlement work, he added.

In order to help boost economy in the reservoir area, the country has given open-city status to the ports of Chongqing, Fuling, Wanxian and Yichang, along the Yangtze.

In addition, after the project's power station begins to generate electricity, the country will use part of the fees collected to set up a foundation for developing the reservoir area, and it has arranged a number of projects to provide jobs for people to be resettled.

The official said the government has also eased restrictions on giving priority solely to grain growing, and is allowing farmers to diversify economy, such as planting citrus trees, medicinal herbs, tea, and developing animal husbandry.

Farmers in the reservoir area are also encouraged to open terraced fields and go in for water-control projects, on the condition that water and soil be conserved, he pointed out.

The resettlement work has won the support of the whole country. By last December, different areas had provided 450 million yuan in assistance. In most central government departments, offices have been set up to help with the work.

"China will spare no effort in doing a good job in the resettlement work and in making living conditions of the people resettled even better than they were before," the official said.

### Science & Technology

#### PRC: AsiaSat-2 Communications Satellite Operational

OW0102145596 Beijing XINHUA in English  
1438 GMT 1 Feb 96

[FBIS Transcribed Text] Beijing, February 1 (XINHUA) — The AsiaSat-2 communications satellite has

gone into operation after being positioned in the right orbital slot and undergoing a number of in-orbit tests.

This was learned at a reception held here today marking the successful launching and commencement of service of the satellite.

The satellite was launched into orbit by a China-made Long March 2E carrier rocket on November 28 last year.

At the reception the Hong Kong-based Asia Satellite Telecommunications Co. Ltd, the owner of AsiaSat-2, presented 500,000 US dollars as a bonus to China's Commission for Science, Technology and Industry for National Defense and the China Aerospace Corporation, which were in charge of the launching.

This is China's second time to co-operate with Asia Satellite Telecommunications. In 1990 the country launched an AsiaSat-1 telecommunications satellite using a Long March-3E carrier rocket. This was the first time for China to launch a commercial satellite for international purposes.

It was also learned that Asia Satellite Telecommunications plans to launch another satellite, named AsiaSat-3, in late 1997. The satellite, made by Hughes Company of the United States and with 16 KU-band and 28 C-band transponders, will cover China, Japan, India and the Middle East.

#### PRC: Shenyang Computer Institute Develops Super Minicomputer

OW0202082896 Beijing XINHUA in English  
0726 GMT 2 Feb 96

[FBIS Transcribed Text] Shenyang, February 2 (XINHUA) — Chinese scientists recently developed a 64-bit super minicomputer, and believe it to be the best choice for high-grade PCs and work stations, because of its small size.

Developed by the Shenyang Computer Institute of Northeast China's Liaoning Province under the Chinese Academy of Sciences, the new system has wide multimedia, interactive telecommunications, and information superhighway applications for storage space, operation, and speed.

The system may be used in engineering design and routine processing in the fields of energy, transportation, finance, telecommunications, commerce, and others.

**PRC: State To Build Four Nuclear Power Plants**  
HK0102085296 Hong Kong CHING CHI TAO PAO  
in Chinese 22 Jan 96 No 2455, p 17

[From "China Economic News" column: "China To Build Four Nuclear Power Plants During Ninth Five-Year Plan"]

[PTS Translated Text for FBIS] The China National Nuclear Corporation disclosed a few days ago that China will, during the Ninth Five-Year Plan, build four nuclear power plants, whose eight generating units' power will total 6.6 million kilowatt. When the four nuclear power plants are completed, the generating capacity of China's nuclear power plants will total 9 million kilowatt. Accordingly, China's nuclear fuel industry will grow into a scale economy.

As stated by a source, the four projects are: the Qinshan nuclear power plant phase two project; the Guangdong Lingao nuclear power plant; the Qinshan phase three heavy-water reactor project; and the Liaoning nuclear power plant. All the generating equipment needed will be imported with all or part of the cost being paid by foreign export credits. Contracts for equipment supply and engineering consultancy, and also a loan agreement have been signed for the Guangdong Lingao nuclear power plant. China has signed a government-to-government memorandum of understanding and an agreement on the principle for business negotiations with Canada for the Qinshan phase three heavy-water reactor, and Canada has committed to raising all of the funds needed for the project. In the case of the Qinshan nuclear power plant phase two project, important progress has been made in talks over ordering Chinese- and foreign-made equipment and using foreign export credits. For the Liaoning nuclear power plant, the China National Nuclear Corporation, the Northeast Power Group, and the Liaoning Provincial Government have established a joint venture company, which will use loans provided by the Russian Government and import Russian equipment to build the plant.

When speaking about the preparatory work, a relevant source said: The central government has formally approved the report requesting the start of the Qinshan nuclear power plant phase two project. The annual fund for the project is in place. Construction design is under way, and 90 percent of the earth-and-stone construction has been accomplished. With the approval of the central government, the Qinshan phase three heavy-water reactor project and the Liaoning nuclear power plant have been designated in the state plan as separate items. The preparatory work for the Guangdong Lingao nuclear power plant is proceeding smoothly.

**PRC: Polar Research Organization Set Up in Hubei**  
OW0202101196 Beijing XINHUA in English  
0933 GMT 2 Feb 96

[FBIS Transcribed Text] Wuhan, February 2 (XINHUA) — China's first organization for polar research, the Hubei Provincial Society of the North and South Poles Scientific Study, was set up recently in the China South Pole Survey and Research Center here in Wuhan, capital of central China's Hubei Province.

China began its research on the South Pole 13 years ago and has built two bases there to do research on such new areas as the relations between sudden changes at the two poles and global changes.

According to Prof. E Dongchen, president of the society, the aim of the society is to unite all those in China's polar research field and actively participate in international studies so as to make greater contributions to the mankind in the peaceful use of and in protection of the North and South Poles.

China's polar research is mainly carried out in the three cities of Beijing, Shanghai, and Wuhan.

The society will hold an academic convention annually.

### Military & Public Security

**PRC: Model Military Cadre Lin Zhengshu Extolled**  
OW0202015596 Beijing RENMIN RIBAO in Chinese  
11 Dec 95 pp 1,3

[Report by XINHUA, JIEFANGJUN BAO and RENMIN RIBAO Reporters: "A Kong Fansen in the Army — Lin Zhengshu"]

[PTS Translated Text for FBIS] In January 1995, a new gravestone was erected in the suburbs of Zhenjiang. Permanently resting below the stone was an ordinary but great communist party member Lin Zhengshu [2651 2973 2579].

Lin Zhengshu was born into an ordinary peasant family in Xiangshui County, Jiangsu Province. In 1972, he joined the forces and was successively promoted to squad leader, platoon leader, company political instructor, battalion political instructor and then to the political commissar of a rest home for retired cadres. In his ordinary posts, Lin Zhengshu put forth extraordinary efforts, and realized first-rate achievements. Regardless of where he was, he was always willing to be a servant of the people and maintained close links with the masses. Regardless of what temptations he encountered, he always remained uncorrupted and honest, and completely upright. He contributed his all to the building of the armed forces and at only 41 years he died in his post.



When people bade their farewells to Lin Zhengshu at his funeral, with tears of sadness running from their eyes, all clearly remembered something he had said during his lifetime: "In any official post, one must always leave something behind—not something material, but something spiritual!" Today, it can be said without any doubt that Lin Zhengshu truly practiced his own words. In his short but brilliant life, in his various posts, he brought blessings in various respects. While alive, he and his parents, his wife and child, always led extremely simple lives, but he created much material wealth for the state and the collectives. He left this life too early, but he left behind a valuable spiritual legacy.

His six military medals sum up the noble life of this ordinary communist party member.

**The 25,000 Kilometer Long March by the Red Army Was Carried Out by People of the Earlier generation. The Crucial Question Now is What We Are to Do**

As soon as Lin Zhengshu entered the forces, he was assigned to the telephone line installation company of a particular unit. This was a company with a glorious history. On the border defense line which runs for thousands of kilometers, the telephone line installation company had on many occasions carried out the task of installing national defense communications. In 1964, this company was awarded the honor title of "Wired Telephone Company Which had Borne Great Hardships and Withstood Hard Work" by the Shenyang Military Region. This company was one of the famous "Ten Red Flags" of arduous struggle in this military region.

In August 1983, Lin Zhengshu led his company into the Wandashan region to carry out construction. In a place called Huoshishan, they encountered in front of them a "route-blocking tiger"—a waterlogged depression with a diameter of over 200 meters. The forward troops wanted to enter the water for a investigative survey. Lin Zhengshu stopped them and in a loud voice said: "Everyone stay where you are. Party members come with me." Four communist party members stood up in response.

Grasping a staff, Lin Zhengshu entered the water, and slowly moved step by step toward the telephone pole. His fellow soldiers on shore watched helplessly as water reached up to his waist. They were extremely worried. However, Lin Zhengshu did not concern himself with the dangers and finally was able to mount the telephone pole. After more than two hours, this section of telephone line was finally installed, but Lin Zhengshu and the others were drenched to the bone.

In the summer of 1984, Lin Zhengshu led his entire company to Gunmaling to do installation work. Here the inclines can be as steep as 50-60 degrees. Four men carried each telephone pole weighing 100 kilograms, and after half a day they were still far from the peak. They were all utterly exhausted. At that speed the work would take nine times as long as expected.

What was to be done? Lin Zhengshu sought assistance from a nearby logging camp, and borrowed some equipment designed for shifting logs — "a mountain-climbing tiger" — and work efficiency was thereby greatly increased. However, the "mountain-climbing tiger" nearly cost Lin Zhengshu his life. On the afternoon of 28 July, at Heiyunzhuangshan, the "mountain-climbing tiger" was puffing out its black smoke as usual. Suddenly, the right wheel-track was lifted up by a tree trunk and the body of the vehicle swerved to the left. "There's trouble. Jump out of the vehicle." Lin Zhengshu managed to get the driver to jump out, but had no time to jump free himself. The vehicle body then rolled down the slope and when Lin Zhengshu regained consciousness, he tried to lift his right arm, but was unable to because of the pain. His arm had been shattered.

On the fifth day after he underwent an operation at the clinic of a nearby logging camp, Lin Zhengshu would not stay in bed. How would it be, he thought, given that the company commander had gone to get materials, if he lay in bed recovering, and the troops had no leader? Thus he again appeared in front of the troops. He was missing clumps of hair, his face was covered with a yellow ointment and his right arm was strapped across his chest....

After Gunmaling was conquered, and over 100 telephone poles had been erected on the peaks, the soldiers threw their clothing onto the tops of trees, jumping and laughing!

However, at this time, Lin Zhengshu was suffering a new problem. In order to save work time, his fractured right arm had been treated at the health clinic of a nearby logging camp. Then because he set to work before the injury healed, the bone did not knit properly. When he returned to the battalion headquarters, the bone in his arm was bent and this affected his work. The only option was to go to the military hospital and to break the bone, reset it and insert a metal plate to fix the shattered bone properly. This metal plate remained with him for all his life.

Just after they had tamed Gunmaling, there came news that the Third Platoon had been surrounded by flood waters. At that time, the Third Platoon, which was working on Huanghualing, only had 50- plus jin of rice left and the 20-odd men there could only eat one bowl



of rice congee a day. Lin Zhengshu led the company quartermaster and provisioners to send them grain and vegetables. However, the road had been swallowed by the floods. They thus hired a small boat from the masses and, braving the dangers, pushed out into the rushing torrent of the Eruerhe. Thereby they were able to deliver the rice and vegetables to Huanghualing.

Lin Zhengshu often said to the cadres: "We often use the 25,000-kilometer Long March carried out by the Red Army to educate the soldiers. However, that was something done by people in the past. The crucial question is what can we do now!"

Lin Zhengshu spent several years as political instructor of the telephone line installation company, and during this time the company received the second accolade in its history: The commander and the political commissar of the Shenyang Military region signed an order recording a collective first-class award of merit for the telephone line installation company. When the Headquarters of the General Staff, the General Political Department and the General Logistics Department circulated citations for six basic-level units throughout the army, the telephone line installation company was also one of the units cited.

#### **An Up-to-Standard Cadre Should Be Half an 'Official' and Half a Soldier**

On 5 February 1986, Lin Zhengshu was appointed as political instructor of the Second Battalion of the Anti-Aircraft Artillery Regiment, which had only been established for three months.

Lin Zhengshu held that an up-to-standard cadre should be half an 'official' and half a soldier. The "official" should play a leading role, while the soldier should share the weal and woe of the troops.

When the company went to Xinganling to do construction work, the conditions were extremely arduous. A reporter who had once interviewed Lin Zhengshu came again to the company to take photographs, and brought a watermelon with him. Lin Zhengshu, knowing that his men had not tasted fruit for the whole summer, divided the watermelon into 27 slices and sent an orderly to call the troops of the second platoon who were working nearby. Seeing a watermelon cut up into pieces two-fingerbreadths wide, the troops all rushed over. Lin Zhengshu gave the troops the watermelon and they returned to where they were working. Several troops then shouted: "We will not eat the watermelon. Even without eating it, our hearts have been sweetened!" Finally the platoon head Pan Ruwei [3382 3067 0251] issued an order: "One slice each. Savour it...."

These actions deeply touched the reporter, who promptly noted down this moving vignette.

When soldier Zou received two telegrams from home saying that his mother was dangerously ill, in consideration of the company's tight training schedule, he kept the matter to himself. However, Lin Zhengshu, looking at his face, understood what was troubling him and he requested two weeks leave for soldier Zou. He was thus able to return home to see his mother for the last time. He concluded the funeral arrangements, and returned one week early to the force. Lin Zhengshu organized for the whole company to participate in a memorial meeting for soldier Zou's mother.

Soldier Wang Xuezhou [3769 1331 5297] suffered from acute migraines and on one occasion he suddenly fell unconscious, started foaming at the mouth and having spasms. Lin Zhengshu promptly took soldier Wang on his back and carried him to the hospital. After treatment, soldier Wang's illness was brought under control.

Lin Zhengshu had always been in poor health. When his wife Zhang Xiaoling [1728 2556 3781] came to the unit, she noticed that her husband was dark and skinny and she was often so distressed about it that she cried. One day, when Lin Zhengshu entered the house, his wife brought in a bowl of pork soup. "This is to give you strength. Drink it while it is hot!" Old Lin smelled it and said: "Young Wang is very ill and is unable to eat anything. Give the soup to him!" His wife was puzzled and said: "Every day you think about the soldiers, the soldiers, the soldiers. And you never look at what you are doing to yourself!"

Lin Zhengshu took a small dish of soup to the unit. On seeing the still-steaming pork soup, young Wang's nose twitched and he burst into tears.

Spring came and autumn went. Through the joint efforts of Lin Zhengshu and his entire battalion, by the end of 1987, the Second Battalion had eliminated the backward label previously assigned to it, and it was cited by the military region as an advanced training unit, while the battalion political commissar was cited by the Group Army as an advanced battalion political commissar. The happy events of the Fifth Company were also added to, being honored with a collective second-class award of merit, while the political instructor was mentioned in the Group Army reports. The Army Political Commissar appraised them as follows: "The Fifth Company is a Red Flag for the whole Army!" Zhang Chengjin [1728 2052 6855], the former battalion head of the Second Battalion, who had subsequently been promoted to regimental commander, said: "The Fifth Company has achieved new developments every year, and in this Lin Zhengshu's efforts have been indispensable!"

**"Moral Character is the Basis for Being an Upright Person and Also the Essential Element of an 'Official'"**

At the end of 1987, Lin Zhengshu was transferred from the Second Battalion of the Anti-Aircraft Artillery Regiment to the Motor Transport Battalion, as political instructor. As soon as he alighted from his vehicle on arrival, he took a look around the barracks. The buildings had long remained unrepaired, the surrounding wall was nearly falling down, the floor of the mess was dirt and the soldiers had their meals while standing in mud. The drainage ditches in the courtyard had been clogged with dirt and when it rained the water flowed in everywhere. The mud walls of the pig-sty were only half a meter high and the pigs frequently jumped out causing mayhem in the compound.... Lin Zhengshu knew that there was not a lot of time to reorganize the Motor Transport Battalion and that the difficulties were great. Thus he and the Battalion Commander Chen Hua [7115 5478] studied and formulated some measures for changing the backward appearance of the Motor Transport Battalion.

However, they did not think that with their first step, they would meet a brick wall. One day at a meeting of the personnel of the entire battalion, Lin Zhengshu was giving a mobilization talk. He noticed that some people were talking near a platoon leader of the Second Company, and he criticized the platoon leader. On the second day, at a meeting of the cadres of the battalion, Lin Zhengshu criticized by name the commander of the Second Company Yu Tongjiang [0060 0681 3068]. Yu Tongjiang is something of a barrel-mouth and without waiting for Lin Zhengshu to finish, suddenly leapt up and rebutted him, saying that the meeting was not called by the Second Company, and asked on what basis Lin Zhengshu was criticizing people by name. Lin Zhengshu did not say anything in response and the meeting continued normally. That evening, just after Yu Tongjiang had gone to bed, Lin Zhengshu appeared and said: "Company Commander Yu, I have come to apologize to you. I was wrong to criticize you the way I did today and I hope that you will forgive me." Yu Tongjiang thought to himself: I have "slapped" his face in public and not only is he not angry, but has come to admit fault. He truly is magnanimous! Thus, he made a sincere self-criticism. The two then talked about the work of the Motor Transport Battalion and chatted till midnight.

After this, Yu Tongjiang got the chip off his shoulder and threw himself into work. After a year, the Second Company had turned over a new leaf and brought great changes to the visage of the Motor Transport Battalion. Not only did they annually win commendation citations

from the the Army, and were also cited as an advanced transport work unit, but for four successive years, they were cited by the Harbin City government as an advanced safe driving unit.

When in their home town, Lin Zhengshu's wife Zhang Shaoling had been a technician in the county's aquatic products bureau. However, from the time Lin Zhengshu entered the army up until 1986, she had not worked. Shaoling had made not the smallest fuss of this, but instead had just wiped away her tears. Finally, the opportunity came when the upper levels gave a directive to the camp appointing a teacher for young children. Considering that Shaoling had graduated from senior middle-school, they proposed that she work in the kindergarten. Surprisingly, Lin Zhengshu allowed this opportunity to pass by. He said to Shaoling: "Let the wife of the deputy battalion commander old Tan go to work there. Old Tan's lot is not easy and his family has many burdens. Also, old Tan's wife is from the countryside and has never had the opportunity to work. You should give her the opportunity to experience it!"

Soldier Chen Gengku [7115 1649 1655] also suffered misfortunes in his family. His mother and his mother-in-law died one after the other. Then in February 1990, when young Chen returned to his family to pass the new year, his wife's congenital heart disease flared up again. Her stay in hospital not only ate up their small savings, but he had to go around borrowing. When Lin Zhengshu came to know of young Chen's difficulties, he took the lead in donating 100 yuan. Then the cadres of the whole battalion offered their assistance and a total of 1,350 yuan was raised.

Chi Wangang [6688 8001 0474], the quartermaster of the telephone line installation company can never forget. When the telephone line installation company was in Daxinganling installing lines, old Lin braved danger to save his life on two occasions. An even more unforgettable event occurred when Lin Zhengshu and his family were moving south. Old Lin took two coils of wire from the company store and asked a couple of soldiers to help him pack it. After it had been packed and loaded in the vehicle, Lin Zhengshu took out 150 yuan and gave it to Chi Wangang, saying: "This money is for the company's wire." Young Chi put up his hand: "You are a veteran political instructor of our company. How can you pay for just two coils of wire?" Lin Zhengshu said: "I know how poor the company is in terms of resources. How can I take the wire without paying for it?" There was thus nothing more that young Chi could say and he accepted the money.



**'The Length of a Person's Life Depends on How He Uses His Time'**

At the end of 1990, Lin Zhengshu was promoted from political instructor of the Motor Transport Company to political commissar of the Zhenjiang rest home for retired cadres, which came under the Group Army.

Over the years, this retired cadre rest home had faced many difficulties. Some of its vehicles were out of service and others ran only intermittently. It was thus difficult for the retired cadres to obtain the use of a vehicle. Throughout the society, communications were becoming daily easier, yet for the retired cadres, if their phones were not completely out of order, all they got was a humming sound. The amount these retired cadres spent on medicine when they went to see the doctor was also bothersome. After Lin Zhengshu took up his post, he visited every home and every household, seeking their opinions and looking for ways to resolve the problems. As a result of his investigative research, the party committee of the rest home set down a policy that without waiting for outside help, through arduous struggle they would rely on their own efforts to change the face of the home.

Swiftly Lin Zhengshu took the lead by borrowing some funds, purchasing three old tip-trucks and arranging a five-person work team. They then threw themselves into fervent engineering work in the society. Evidence of their activities could be seen everywhere. They stayed overnight in work sheds, on fishing boats, in streetside pavilions and in warehouses. In summer, he sweated with the rest of them, while in winter he often slept in the door way to shield his comrades from the biting wind.

In the work team, Lin Zhengshu and the others all ate from the same big bowls of rice and vegetables. Sometimes a bowl of dough-drop noodles was all they had for a meal. When the team was busy, they often worked until 11 or 12 at night, and they had no time for relaxation or enjoyment, or even any way to have a wash. When they went to a distant place, they were gone for more than half a year, and when they were working nearby they were away for 10 days or two weeks. When they came home they were always much skinnier. Zhang Shaoling said to people: I am not only envious when I see a couple enjoying a movie together, but am even envious when I see a couple arguing. On one occasion, old Lin was repairing roads near Zhenjiang, less than 10 kilometers from his house, but he did not come home for six days.

One day, Lin Zhengshu came home unexpectedly, but he was covered in mud from head to foot, his face was

streaked with sweat and the smell of acrid perspiration assailed the nose.

Zhang Shaoling prepared a bath for him, but Lin Zhengshu sat down in a chair and went to sleep. She gently shook him, but Lin Zhengshu quietly said: "I am too tired." Yet he still went into the bathroom. Zhang Shaoling prepared clean underwear for him, but after quite some time, he had still not appeared. She went into the bathroom and much to her surprise found Zhengshu sitting in the tub fast asleep.... Zhang Shaoling began to cry: Old Lin, are you ever going to finish? You pushed yourself hard with the telephone line installation company, you pushed yourself hard with the Anti-aircraft regiment, you pushed yourself hard with the motor transport battalion and now with the rest house you are still pushing yourself hard. Look what you are doing to yourself! When I first met you, you were a strapping young man of over 140 jin, and now you weigh less than 100...

This was the character of Lin Zhengshu. In whatever he did, he wanted to do it as well as possible. He often said to the work personnel: "It is correct to want to achieve something. Do not fear if the difficulties are many. Without difficulties, there can be no achievements." One night when the moon was high and the night was still, there came a "dong, dong, dong" of rapid knocks at the door. Zhang Shaoling rushed to the door and, on opening it, her heart fell to the floor. Lin Zhengshu's face was black, his face and right arm were swathed in bandages, and his whole body emitted the stench of scorched flesh. A soldier who supported him said that at their work site the electricity had been stopped for night fighting exercises, and the political commissar had received an electric shock from fuse wire. His eyebrows had been completely singed off, his eyes were like bloody peaches, his vision was blurred and he had lost skin from his arm and back. On the following morning Lin Zhengshu, as usual, got up from bed at 4:30 A.M..

That thing which Zhang Shaoling feared most finally came to pass. Lin Zhengshu's illness became more serious daily. On 8 June 1994, he fell unconscious at work and his wife and fellow soldiers sent him to the hospital. After investigation, the hospital quietly told Zhang Shaoling that Zhengshu was suffering from late-stage liver cancer.

Suffering such a severe shock, Zhang Shaoling wept for the whole day. The retired cadre's rest home repeatedly investigated treatment possibilities. As long as a cure could be found the costs would not matter. The retired cadres were moved by his situation. It was as if he was a hero from the war years who had been wounded while helping others. They said: "If some way of saving



Commissar Lin can be found, we will even be willing to forego our medicine." ... [ellipses as published]

However, when Lin Zhengshu came to know the true nature of his illness, he coldly expressed a different opinion. He sought out the head of the rest home and put forward an unambiguous request: "This sickness of mine was sent by the supreme power. I did not bring it on myself. At present the rest home is still very poor and the little amount of money available needs to be spent on construction within the home, and used for the retired cadres."

Lin Zhengshu's painstaking efforts however had not been wasted. He had been at the rest home for three years, and earnings from production had doubled annually. The old problems whereby the retired cadres had difficulty obtaining medicine and of having difficulties with vehicles and in getting their houses repaired had all been alleviated one after the other...

One day in September 1994, Lin Zhengshu was very high in spirits and proposed going to the work site to observe how things were going. The doctor thought that he was strong enough and agreed. The rest home leaders understood his feelings and allowed it. His wife privately said to him: "If you have the strength, we should also go home for a visit. You have not been home for half a year. I am afraid that in the future we may not have the opportunity..."

At the work site, he needed other persons to support him. He walked here and there, looking at the work and talking with everyone. He asked about things in great detail... Some soldiers while listening to him could be seen with tears streaming down their cheeks.

On 29 December at 5 o'clock in the afternoon, Lin Zhengshu's heart stopped beating.

On 2 January 1995, Lin Zhengshu's remains were cremated. In accordance with his dying wishes, no one was informed except his own unit and his relatives. However, the news had spread quickly and people came from all over to attend the funeral. The Lizishan Funeral Parlor was overflowing with people. Nearly all of the retired cadres who were able to walk attended. An old woman who had a serious heart condition and had never previously attended such an activity, entered the mourning hall for the first time. Slowly walking over to Lin Zhengshu's remains, she sobbingly said: "Commissar Lin died working for all of us!" As she bowed, everyone in the mourning hall was in tears.

Lin Zhengshu left the world like a hero, and people are now remembering him and understanding him in their own ways. On the occasion of the 1 August Army Day celebrations this year Lin Zhengshu's 13-year-old

son Lin Zhen wrote a letter to his father. He wrote: Beloved Father, you always used to say that the length of a person's life is determined by how he uses his time. You have left us too early, aged only 41. However, if we look at the number of hours you worked, you had already entered the 21st century before us...

**PRC: Commentary on Model Cadre, Lin Zhengshu**  
OW0202024696 Beijing RENMIN RIBAO in Chinese  
11 Dec 95 p 3

[Commentator's Article: "Learning from Lin Zhengshu, a Kong Fansen-Type Good Cadre"]

[PTS Translated Text for FBIS] Today, our newspaper publishes a long report which introduces to readers a Kong Fansen-type good cadre — the first-class hero Lin Zhengshu, former political commissar of the Zhenjiang Rest Home for retired cadres under the Shenyang Military Region.

Lin Zhengshu joined the forces in December 1972 in Xiangshui County, Jiangsu. On 29 December 1994, he died of liver cancer. In his 20-plus years of military life, from an ordinary soldier, Lin Zhengshu became an outstanding regimental cadre. During this period, he was promoted through various posts and changed his work on several occasions, but his communist hue never changed. He channeled his burning zeal and his desire to repay the country into his concrete actions of army-building. On the distant borders he led his troops in breaking through difficulties to install telephone lines. Wherever things were harshest, he would be there. He loved the people and saw the masses as his parents. He was angered by that which angered the masses, felt concern for those things which concerned the masses, and put all his heart into resolving the troubles and difficulties of the masses. He was fair and upright, honest and selfless, and shared weal and woe with those under him. He concerned himself with his comrades, led his troops through personal example and deeply loved the troops. In the same way, Lin Zhengshu was also a man full of feeling, and he warmly loved his wife, children and his own home. However, in the relationship between state and family, he subordinated his small family to the large family and thereby we can see the great breadth of vision of a communist.

Today, when we are about to enter a new century, we have a very pressing need for tens of thousands of outstanding party cadres like Lin Zhengshu. His exemplary spirit has a powerful practical significance for us. We must learn from Lin Zhengshu and must also, like him, always remember the party's basic goal of serving the people wholeheartedly, see the party's cause as our primary mission, contribute ourselves selflessly

and dare to become the unknown hero. Like him, we must, in a model way, continue and carry forward the party's outstanding tradition of arduous struggle, look lightly on all difficulties and, at crucial moments, dare to charge forward. Like him, we must loyally implement the rights and obligations of party members, firmly uphold the principle of building a party which serves the interests of the people, and change the public servant consciousness of communist party members into concrete actions of serving the people wholeheartedly. At all times, we must place ourselves among the masses, live and breathe together with them, share a common fate and, link our hearts with them. Like him, we must firmly establish a correct world view on life and values, and manifest our pure hearts, love of the party, love of the country and love of the army in all our work. We must eschew wealth and fame, selflessly devote ourselves, bend ourselves to the tasks and exert ourselves to the utmost, and give our all until our dying day for the cause of the party and the people.

Although Comrade Lin Zhengshu has already departed from us, the spiritual treasure house he has left us is immensely valuable. The broad number of communist party members and especially the leading cadres of the party must study advanced persons such as Kong Fansen, Lin Ruowu and Lin Zhengshu, and must always firmly remember the party's aim of serving the people wholeheartedly and never divorce themselves from the masses even for a minute. In everything, it is necessary to proceed from the interests of the masses, to use one's powers for the people, to be honest and upright, to push forward, to engage in arduous enterprise, and to be good communists worthy of the name.

**PRC: Yunnan Commander Meets Israeli Chief of Staff**

OW0202021196 Kunming YUNNAN RIBAO  
in Chinese 20 Jan 96 p 1

[By Shen Junai (3088 0971 0674)]

[FBIS Translated Text] Major General Yao Shuanglong, commander of Yunnan Provincial Military District, met Lieutenant General Amnon Shahak [name as transliterated], chief of general staff of the Israel Defense Forces, and his wife Tally Shahak [name as transliterated] at the Kunming Hotel on the evening of 17 January.

Yao Shuanglong briefed the guests on culture, geography, reform, opening up, and situation of economic development in Yunnan Province with a great deal of warmth.

Major General Liu Changyou and Senior Colonel Kong Xiangqiang, respectively deputy commander and chief

of staff of the provincial military district, were present at the meeting.

The delegation of the Israel Defense Forces arrived in Kunming by special plane on the morning of 17 January and left for visits to other places on the morning of 19 January. Major General Liu Changyou accompanied the delegation in a tour to Xishan Forest Park, Shilin, and Yunnan Ethnic Village.

**PRC: Regulations on Use of Police Tools, Weapons**  
OW0202053596 Beijing XINHUA Domestic Service  
in Chinese 0919 GMT 29 Jan 96

[FBIS Translated Text] Beijing, 29 Jan (XINHUA) — The PRC Regulations Governing the Use of Police Tools and Weapons by the People's Police

**Chapter One. General Principles**

Article 1. These regulations are drawn on the basis of the "PRC People's Police Law" and other related laws to make sure the people's police will lawfully discharge their responsibilities and properly use police tools and weapons when they have to promptly and effectively stopping lawless and criminal conduct, safeguarding public security and social order, protecting citizen's personal safety and legitimate property, and protecting public assets.

Article 2. The people's police may use forceful means to stop lawless and criminal conduct; when necessary, they may use police tools in accordance with these regulations; and they may use weapons prescribed in these regulations when the use of police tools cannot stop the lawless and criminal conduct, or when not using weapons may cause serious and dangerous consequences.

Article 3. The term "police tools" mentioned in these regulations refer to tools with which the people's police are equipped according to regulations, such as police batons, tear gas, high-pressure hydraulic guns, special rifles for riot control, handcuffs, fetters, and rope; and the term "police weapons" mentioned in these regulations refer to guns, ammunition, and other lethal weapons, with which the people's police are equipped according to regulations.

Article 4. When the people's police use police tools and weapons, they shall follow the principle that they are used for stopping lawless and criminal conduct, and that they shall make every effort to reduce casualties and property losses.

Article 5. The use of police tools and weapons by the people's police is protected by the law.



The people's police shall not use police tools and weapons in any way which violates these regulations.

Article 6. Prior to using police tools and weapons, the people's police shall order all irrelevant personnel to leave the scene; and these personnel shall follow the people's order so that they will not be hurt, or suffer from losses in one way or another.

#### Chapter Two. The Use of Police Tools

Article 7. When the situation falls into any one of the following, or when warnings are of no avail, the people's police may use police tools, tear gas, high-pressure hydraulic guns, special rifles for riot control, and other weapons for dispersing and subduing mobs:

- (1) When there is a gang fight, physical assault, incitement of unrest, humiliation of women, or hooligan behavior;
- (2) When a mob is disturbing order in a railway station, pier, civil air station, stadium, and any other public area;
- (3) When there is an unlawful assembly, parade, or demonstration;
- (4) When an area which the people's police have cordoned off for the purpose of discharging their responsibilities have been broken into by force;
- (5) When violent means are used to resist or obstruct the people's police from discharging their responsibilities;
- (6) When the people's police are attacked;
- (7) When conduct which endangers public security, social order, and citizens' personal safety must be immediately stopped; or
- (8) When a situation which the law and administrative regulations warrant the use of police tools.

The use of police tools by the people's police according to the rules above shall be limited to stopping the perpetration of a lawless or criminal conduct; and its use shall cease when the lawless or criminal conduct has been stopped.

Article 8. The people's police may use handcuffs, fetters, ropes, and other restraining tools when they lawfully carrying out the following missions and the lawless elements or criminals might flee, commit physical assault or murder, commit suicide, inflict injuries on themselves, or commit other dangerous acts:

- (1) When they have captured a lawless element, criminal, or major criminal suspect;
- (2) When they discharge the duty of arresting, detaining, incarcerating, delivering, interrogating, summoning, or

subpoenaing lawless elements, criminals, or major criminal suspects; or

- (3) When the situation which the law or administrative regulations warrant the use of police tools.

The people's police shall not made any deliberate attempt to cause personal injury when they use police tools according to the rules above.

#### Chapter Three. The Use of Weapons

Article 9. The people's police may use weapons after they have ascertained that an emergency situation has been created by any one of the following violent crimes, and that the warnings they have served are fruitless:

- (1) When there is an arson, breach of dam, use of explosives, or other behaviors that will seriously jeopardize public security;
- (2) When there is a hijack of aircraft, ship, train, or motor vehicle; or when there is a deliberate attempt to jeopardize public security with automobiles, ships, or other motor vehicles;
- (3) When public security has been seriously jeopardized as result of robbery of guns, ammunitions, explosives, hypertoxic substance, and other hazardous materials;
- (4) When guns, explosives, hypertoxic substances, or other hazardous materials are used to perpetrate — or threaten to perpetrate — a crime;
- (5) When a crime is being perpetrated to sabotage military, telecommunications, communications, energy, or hazard-control facilities; and the act can cause serious and imminent danger;
- (6) When citizens' lives and safety are endangered by a violent crime, such as when they are being physical assaulted, murdered, or held as hostages;
- (7) When objects or targets guarded by the state are being attacked or sabotaged, or when these objects and targets are facing the imminent danger of being attacked or sabotaged;
- (8) When public or private property are being robbed by a mob, or by armed personnel;
- (9) When the public order has been seriously undermined by armed fights between mobs or by riots, and the situation cannot be stopped with other means;
- (10) When violent measures are employed to resist or obstruct the people's police from discharging their lawful duty, or when the people's police are attacked, or when their lives and safety are threatened, by violence;



(11) When incarcerated prisoners or criminals assemble fellow prisoners and criminals to create unrest or riot, commit physical assault or murder, or escape;

(12) When there is a jail-break;

(13) When criminals try to resist arrest and flee after perpetrating the crime of arson, breaking up dams, setting off explosives, committing homicide or robbery, or other serious violent crimes;

(14) When criminals resist arrest and flee with firearms, explosives, or hypertoxic substance; or

(15) Whenever the laws and administrative regulations warrant the use of weapons.

The people's police may use weapons directly when they do not have enough time to serve a warning, or when their warnings might cause even more serious consequences, provided they use weapons according to the preceding clause.

Article 10. The people's police shall not use weapons when the situation is any one of the following:

(1) When they discover the perpetrators are pregnant women or juveniles, unless they perpetrate a crime with guns, explosives, or hypertoxic or other hazardous substance; or

(2) When the perpetrators are in an area where people gather, or area with great quantities of flammable, explosion-prone, hypertoxic, radioactive, and other hazardous materials; except when even more serious consequences may occur if these perpetrators are not stopped by means of weapons.

Article 11. The people's police shall immediately stop using weapons when they encounter any one of the following:

(1) When the perpetrator stops committing a crime and obeys the police order; or

(2) When the perpetrator has been incapacitated for perpetrating the crime.

Article 12. When the people's police have wounded or killed a perpetrator, or innocent people, as result of their use of weapons, they shall immediately perform first aid on them, ensure the scene's safety, and promptly report the situation to the local public security authorities or the organ to which the people's police belong.

Upon receiving the report, the local security authorities or the organ to which the people's police belong shall immediately investigate the situation and notify the local people's procuratorate.

In the event perpetrators or innocent people are wounded or killed, the local public security authorities, or the organ to which the people's police belong, shall promptly notify their families or units to which these perpetrators and people belong.

Article 13. After they have used weapons, the people's police shall submit a written report to the authorities to which they belong on the situation in which weapons were used.

#### **Chapter Four. Legal Responsibilities**

Article 14. The people's police shall be held accountable for their criminal responsibilities if their use of police tools and weapons is unlawful and the unnecessary casualties or property loss that they have caused constitute a crime; they shall be disciplined if their conduct does not constitute a crime; and they shall, in accordance with the relevant regulations prescribed in the "PRC State Compensation Law," compensate those who have been wounded or killed, or who have suffered from property loss.

Article 15. When the lawful use of police tools or weapons by the people's police has resulted in the wounding and killing of innocent personnel, or caused property losses, the authorities to which the people's police belong shall make compensation in accordance with the relevant regulations prescribed in the "PRC State Compensation Law."

#### **Chapter Five. Supplementary Articles**

Article 16. Relevant rules of these regulations are applicable for the use of police tools and weapons by the Chinese People's Armed Police Force when they carry out the state's security assignments.

Article 17. These regulations become effective upon promulgation. The "Regulations Governing the Use of Weapons and Police Tools by the People's Police" promulgated on 5 July 1980 for implementation are nullified at the same time.

**General****PRC: Li Tieying on Importance of Policy Consultation***OW0102234596 Beijing XINHUA Domestic Service in Chinese 1305 GMT 24 Jan 96*

[By RENMIN RIBAO reporter Huang Caizhong (7806 1752 1813), XINHUA reporter Zhu Weixin (2612 4850 2450)]

[FBIS Translated Text] Kunming, 24 Jan (XINHUA) — For a fairly long period from now on, policy consultation will be mainly be oriented to the task of changing the traditional planned economic structure into a socialist market economic structure and changing the mode of extensive growth into the mode of intensive growth in economic development. This was what State Councillor Li Tieying stressed in his written speech to the national work meeting on policy consultation.

Li Tieying pointed out: We are going to consider many issues in the course of affecting the two changes. According to international experience that we may take as a reference, along with upgrading the industrial structure and the increasing complexity of social and economic life, policy consultation will become more and more important. The quality of policy-making will be directly determined by whether the policy-making process is democratic and scientific and whether importance is attached to policy consultation. Party committees and governments at all levels should be fully aware of this and adopt feasible measures to create the necessary conditions for the policy consultation work. They should raise more questions and assign more tasks to the policy consultation institutions, thus giving more emphasis to their advising and assisting role.

Li Tieying said: Many questions have yet to be considered by policy consultation institutions at all levels. Now, they should concentrate on some key and difficult questions concerning the overall situation and the two strategic changes. Down-to-earth work should be done in policy research. For example, the following questions should be properly studied: How to strengthen agriculture and consolidate its position as the foundation for the national economy through the gradual establishment of a grain production and circulation system in keeping with the actual conditions of our country; how to pursue the policy of "grasping the big and giving a free hand to the small" among state-owned enterprises in their reforms, thus invigorating the state-owned economic sector as a whole; how to carry out comprehensive control over inflation and thus promote the sustained, rapid, and healthy development of the national economy; how to quicken the pace of economic development in the central and western parts of the country while main-

taining growth momentum in the eastern and southern coastal areas; how to promote the development of large enterprises and corporations and increase their competitive power in domestic and international markets while encouraging an appropriate degree of business competition; how to foster markets more rapidly, especially the markets for major production factors through forming a fair, efficient, and competitive environment for the markets. These are all major questions in our present economic life, about which the central leadership, local governments, enterprises, and the masses are all deeply concerned. In particular, effecting the two changes, strengthening agriculture, and reforming state-owned enterprises are three major issues that should be considered by policy consultation institutions at all levels throughout the country.

The national policy consultation work conference held by the State Council's Development Research Center was held in Kunming between 15 and 17 January. Sun Shangqing, director of the Development Research Center, delivered a work report at the meeting. He reviewed the work of the Development Research Center in 1995 and made arrangements for this year's policy consultation and research work.

**PRC: Wu Bangguo on National Transportation Sector***OW0202000896 Beijing XINHUA Domestic Service in Chinese 0743 GMT 23 Jan 96*

[By reporter Sun Jie (1327 2638)]

[FBIS Translated Text] Beijing, 23 Jan (XINHUA) — State Council Vice Premier Wu Bangguo sent a letter to a national transportation work conference opening today, urging cadres, staff, and workers of the transportation sector to bring about "two changes" in the light of the actual conditions of transportation work and to improve the quality and economic returns of transportation.

Wu Bangguo said: Transportation is the basic industry of the national economy. China has achieved marked successes in promoting rapid development of highway and water transportation since the implementation of reform and opening up and, in particular, during the period of the Seventh Five-Year Plan and the Eighth Five-Year Plan; has entered the best period in history; and has provided effective transportation guarantee for national economic and social development. At present, transportation remains an important factor restricting national economic development. As highway and water transportation constitutes an important integral part of the comprehensive transportation system, it is necessary



to continue accelerating its development in the period of the Ninth Five-Year Plan.

Wu Bangguo said: The key to successfully conducting the transportation work and expediting development of the sector more rapidly and in a better way in the period of the Ninth Five-Year Plan lies in bringing about two fundamental changes which have a bearing on the overall situation in compliance with the requirements raised by the Fifth Plenary Session of the 14th CPC Central Committee in addition to continuing to persist in and perfect the good policies and mechanisms adopted in the period of the Eighth Five-Year Plan and arouse the enthusiasm of all quarters. Wu Bangguo called on leading cadres at all levels of the transportation sector to practically improve their understanding of the importance of "two changes" and enhance their consciousness and sense of urgency of bringing about "two changes."

Touching on arrangement for this year's transportation work, Communications Minister Huang Zhendong said: This year, we must pay attention to successfully carrying out construction of transportation infrastructure by building additional highways with an overall length of 15,000 km. Among them 1,100 km are highways of first and second classes specially for vehicles. We need to build 29 berths which will be operational this year. Meanwhile, we must increase investment to begin construction of "a crisscross network" of main passageway through inland rivers.

Besides, Huang Zhendong required the transportation sector to successfully handle this year's transportation work and safety. He said: In our current transportation work, it is necessary to concentrate efforts on successfully providing transportation for civilian workers during the Spring Festival and to improve the quality of passenger transportation services. Meanwhile, we must guarantee the transportation of such important goods and materials as grain, chemical fertilizers, coal, oil, and ore which have a bearing on the national economy as well as the people's livelihood. It is predicted that, this year, highways and water routes will provide transportation for 10.9 billion and 260 million passengers respectively, up 5.2 percent and 1.2 percent respectively from the previous year.

**PRC: Vice Minister: Enterprise Reform 'Slower Than Expected'**

*OW0102164796 Beijing ZHONGGUO XINWEN SHE in English 1221 GMT 1 Feb 96*

[FBIS Transcribed Text] Beijing, February 1 (CNS)-A vice minister admits that the pace of China's enterprise reform has been slower than expected.

Vice Minister of the State Commission for Restructuring the Economy, Zhang Haoruo said that the pilot scheme for a "modern enterprise system" was in full swing but progress was not universal with differences among enterprises.

Mr. Zhang said that in the course of the reform large state-owned enterprises had progressed at a slower pace. Their external restructuring was even slower.

When a comparison was made between government and enterprises, the pace the government took in its restructuring exercise was slower than that for enterprises. High level government departments were relatively slower than other departments in restructuring, he added.

The vice minister noted that the establishment of a "modern enterprise system" was vital to the reform of state owned enterprises. The national economy would heavily depend on the success of such reform. Some constraining factors however stand in the way of enterprise reform.

He said that firstly, the reform itself is a difficult task involving some long term unsettled contradictions. Secondly, many enterprises were afflicted by unsound production and management techniques. Poor economic results typified these enterprises which exhausted themselves in the search for a solution to their problems. Thirdly, a suitable climate for enterprise reform had yet to be created. Corresponding reform measures were not in place while some necessary policies were implemented in an untimely manner.

Speaking at today's meeting on enterprise reform, Mr. Zhang said that the reform had to look for a breakthrough. To achieve this end, bold action was needed. During the three-day meeting, the Commission laid down certain requirements for 30 enterprises involved in the pilot scheme for the modern enterprise system.

**PRC: State Issues Circular on Land Value-Added Tax**

*OW0102130196 Beijing XINHUA Domestic Service in Chinese 0946 GMT 23 Jan 96*

[FBIS Translated Text] Beijing, 23 Jan (XINHUA) — To improve land value-added tax collection and management and prevent the loss of state tax revenues, the State General Taxation Administration and the State Land Administration Bureau recently issued a circular urging taxation and land administration departments at all levels to actively coordinate their work in collecting and managing land value-added tax.

The circular states: Land value-added tax is a kind of levy collected by the state with a view to regulating



trading order in land and property markets, rationally adjusting proceeds derived from land appreciation, and safeguarding the state's rights and interests. Land administration departments at all levels should complete, as quickly as possible, the land documentation tasks of examining urban land records, registering land, and appraising base prices so as to provide taxation departments with the material needed for collecting land value-added tax.

The circular stresses: Taxpayers who transfer their rights to use state-owned land, above-ground structures, and auxiliary structures should pay land value-added tax at tax offices within the prescribed period in accordance with relevant land value-added tax provisions when they apply to land administration departments to change registered land information, and submit land appraisal reports and declare the transaction values to such departments. After they make tax payments, the relevant tax offices will issue tax payment certificates. Based on land value-added tax payment certificates issued by taxation departments, land administration departments will change registered information on land-use rights and issue new "certificates for using state-owned land." Without tax payment certificates issued by taxation departments, land administration organs will not attend to procedures for registering land-use rights and transferring ownership; nor will they issue "certificates for using state-owned land."

The circular states: Land appraisal organs should furnish, free of charge, appraisal material on land subject to taxation as requested by tax offices in areas where the relevant real estate is located; they may not refuse to do so under any pretext. Land appraisal organs are legally responsible for the authenticity and legality of their findings. Once they are found to have deliberately provided false appraisal findings, land appraisal organs will lose their qualifications for appraising land subject to taxation, and they will be investigated for economic and criminal liability.

**PRC: Regional Cooperation Assists Inland Provinces**

OW0102113496 Beijing XINHUA in English  
1104 GMT 1 Feb 96

[FBIS Transcribed Text] Guiyang, February 1 (XINHUA) — Regional cooperation is now working a miracle in four inland provinces in central and southwestern China, which has been described by some overseas investors as "an economically-isolated island."

The region includes 40 counties that bordering Hunan, Hubei, Sichuan and Guizhou provinces with a combined

population of 14 million, about half of which are members of ethnic minorities.

Though the region is endowed with rich natural resources and the advantage of being a geographical link between north and south, it remained underdeveloped for long and was listed by the central government as one of China's eight poorest areas because of its inaccessibility to shipping and transportation.

To overcome its poverty and backwardness, provinces in the region set up an inter-provincial economic and technological cooperation association in 1985 with the aim of making a joint effort to exploit natural resources, benefit each other, and enjoy a common prosperity.

The four partners have rid themselves of the former bugbear of local protectionism and the planned economy's form of management, and have opened their markets to each other, stimulating the growth of a market-oriented economy that responds to changing dictates of the market.

The past decade saw the establishment of 81 wholesale markets for industrial goods, farm produce, timber, and livestock and the emergence of 29,200 industrial and commercial businesses from 78 counties and cities in elsewhere in China.

The region's volume of retail sales of consumer goods has grown from 600 million yuan in 1985 to the present 6.9 billion yuan, representing a 10.5-fold increase.

Jishou, a small border town in the Tujia-Miao Autonomous Prefecture in western Hunan Province, has been turned into a communications hub in central and southwestern China. People engaged in private businesses there now account for 7.8 percent of its total population, higher than the national average.

Three counties on the border of Guizhou and Hunan provinces possess one-third of China's manganese reserves. In 1990, they combined efforts to build eight electrolytic manganese plants with a gross production capacity of 15,000 tons annually. Some of the products have been exported to Japan, the United States, Britain, and Germany.

In the wake of the national development of a market-oriented economy, local enterprises formed 62 inter-provincial economic and trade groups which had 1.1 billion yuan worth of trade and added output value of 460 million yuan.

The six largest enterprise groups were dealing with tea, Tung oil, Chinese chestnuts, industrial and mineral production, and pillar industries of the region.

Thanks to its vigorous economic growth, the average per capita annual income of farmers in this poor region last year was double 1985's figure.

The region's successful experiment suggests, according to local economists, that regional cooperation has not only opened new means of economic growth for poor people and ethnic minorities of border areas, but can also help promote the unity among the diverse nationalities in the country.

#### **PRC: 'Golden' Era in Offshore Oil Production Predicted**

OW0202092496 Beijing XINHUA in English  
0844 GMT 2 Feb 96

[FBIS Transcribed Text] Beijing, February 2 (XINHUA) — Offshore oil production in China is entering a new phase with crude output growing at an annual rate of 30 percent, or one million tons.

Authoritative estimates put offshore oil and gas output this year at 13 million tons and 3.15 billion cu m [cubic meters], respectively.

Bigger achievements are expected in the next five years, which are expected to be a "golden period" for the country's offshore oil production. Predictions are that 34 million tons of crude and 26 billion cu m of gas will be produced during that period.

According to an executive with the China National Offshore Oil Corporation (CNOOC), China has 17 offshore oil and gas fields operating in the waters of the Bohai Sea, Yingge Sea and Beibu Gulf, five of which started in the past few months, which produced 9 million tons of crude and 400 million cu m of gas in 1995.

After trial production period, the oil and gas fields began a massive production campaign, the CNOOC executive told XINHUA in an exclusive interview.

To boost oil production, he said, China will make another 10 offshore oil and gas fields operational during the Ninth Five-Year Plan period (1996-2000), in the Bohai Sea and South China Sea.

More significantly, China will invest 26 billion yuan in the next five years in 23 offshore oil platforms, 500-km-long submarine pipelines, five onshore oil terminals, and 240 offshore oil wells.

Utilization of offshore oil and gas will also be increased, with construction work on an 8-million-ton refinery project, a 450,000-ton ethylene project, and a 2.5-million-ton urea project that will use the gas resources.

According to authoritative sources here, China's offshore oil production has benefitted both the Chinese and foreign sides, and the sector is rapidly developing

into a comprehensive industry that involves exploration, drilling, production, processing, and marketing.

Statistics show that in the 13 years since its inauguration, the CNOOC has increased total asset value from 1.7 billion yuan in 1983 to a noteworthy 32.8 billion yuan.

The reliable sources said that by the year 2000, China will be able to pay off all its loans, and, even after production costs are deducted and creditors paid, its offshore oil sector is expected to have a net income of 4.5 billion U.S. dollars by the turn of the century.

The executive said that the country's offshore oil production has been benefitted greatly from Sino-foreign cooperation. Almost all of the world-famous multinational oil companies, such as Exxon, Shell, BP, Amoco, Chevron, Arco, and those from Italy, Canada, Australia, Japan, and the Republic of Korea have taken part in the country's offshore oil exploration. A large group of medium- and small-sized oil companies are coming in as well to join the effort.

By the end of January, China had 110 offshore oil contracts with 62 oil companies from 16 countries and regions, drawing a total foreign investment of 5.12 billion U.S. dollars, or 58 percent of the total input in the offshore oil sector of 8 billion U.S. dollars from both Chinese and foreign sides.

Through Sino-foreign cooperation, China has found a total of 1.25 billion tons and 235 billion cu m of proven offshore oil and gas reserves, and has sunk 363 wells and discovered 88 oil-and gas-bearing structures in those areas.

#### **Finance & Banking**

##### **PRC: Timetable Not Set on Foreign Banks Handling RMB**

HK0202082096 Beijing CHINA DAILY in English  
1 Feb 96 p 1

[By Ren Kan: "Foreign Banks To Use RMB"]

[PTS Transcribed Text for FBIS] China has chosen the country's largest city of Shanghai as the only city where selected foreign banks can handle renminbi (RMB) business on a trial basis.

But a central bank spokesman said yesterday that there is not yet a precise timetable for allowing foreign banks to conduct renminbi business formally in the country.

Ma Delun, a representative of the People's Bank of China, told a press conference that the central bank has been aware of foreign banks' keen interest in local currency business.



But he pointed out that there are a lot of problems which must be solved before the breakthrough.

Foremost was the different tax rate between domestic and foreign banks. At present, the tax rate for foreign banks in China is 15 per cent but that for the four State commercial banks and three policy banks is 55 per cent.

"Foreign banks should compete with domestic banks under fair conditions," Ma said, adding the country is taking steps to solve these problems.

According to a Xinhua report the State Council has already given the go-ahead to foreign banks in Shanghai to handle renminbi business on a trial basis.

The trial operations of foreign banks using renminbi will be closely watched in the hopes that they will provide useful information for necessary steps to take the banking business nationwide.

At the experimental stage, the foreign banks in the Pudong New Area can only receive renminbi deposits from or give renminbi loans to foreign-funded companies or foreign-related firms.

The Hong Kong and Shanghai Banking Corporation, the Shanghai branch of the Bank of East Asia and a joint venture bank, the Shanghai-Banque Nationale de Paris, are likely to be among the first group of foreign banks to get the required business licence.

Shanghai is the home to 38 operational foreign financial houses, including two foreign insurance firms.

By the end of last year, China had approved 137 foreign-funded operational financial affiliates and 519 such representative offices.

The total assets of foreign-funded banks and finance companies in China amounted to \$18.33 billion by the end of last year, 40.7 per cent more than the previous year.

Ma reaffirmed that China this year will stick to relatively tight monetary policy in line with the State goal of continuously curbing inflation.

The annual growth of M1 (currency in circulation and current deposits) should be held within 18 per cent in 1996, slightly higher than the 16.8 per cent year-on-year growth posted in 1995.

Growth of the broader M2 money supply, defined as M1 plus all other deposits, should be kept at 25 per cent, compared with 29.5 per cent growth in 1995, Ma said.

The controls would help the country reach its target of bringing inflation down to 10 per cent or lower in 1996. Inflation fell to 14.8 per cent last year after it peaked to 21.4 per cent in 1994.

#### PRC: Foreign Financial Institutions in Shanghai Noted

OW0202042896 Beijing XINHUA in English  
0104 GMT 2 Feb 96

[FBIS Transcribed Text] Shanghai, February 2 (XINHUA) — By the end of 1995 a total of 38 foreign-funded financial institutions had been set up in this financial hub of China, according to statistics released by the Shanghai branch of the People's Bank of China, the central bank.

Their assets surged by 93 percent to 9.032 billion U.S. dollars, and their loans in foreign exchange doubled to 6.011 billion U.S. dollars.

By the end of last year their deposits and loans in foreign exchange accounted for 15 percent and 35 percent, respectively, of the total in Shanghai, and they handled more than 30 percent of local foreign trade settlements.

These institutions dramatically expanded their loan offerings, which carry higher risks, while steadily handling settlements with fewer risks, experts pointed out.

"This shows that they have stronger confidence in developing their businesses in Shanghai," said one expert.

A positive attitude and a favorable investment environment have helped 74.3 percent of the institutions to make profits.

Last year Shanghai saw the opening of 33 more representative offices of foreign financial institutions, the most for any single year, bringing the total to 119.

The operational foreign financial institutions in Shanghai represent 27.7 percent of the total in China, and the number of representative offices of foreign financial institutions in Shanghai account for 23 percent of the total in the country.

By the end of November Shanghai had 43 percent of the assets, 45 percent of the loans in foreign exchange, 40 percent of the deposits in foreign exchange and 24 percent of the profits of the foreign financial institutions in China.

More foreign financial institutions are showing interest in Shanghai. The central bank is now handling applications to set up branches in Shanghai from two banks from the Republic of Korea and Italy, respectively.

Analysts here noted that foreign financial institutions will play a more important role in Shanghai, which is building itself into an international financial center.

So far, China has allowed foreign financial institutions to operate in 24 coastal and hinterland cities.



### Foreign Trade & Investment

#### PRC: Spokesman on Standards in Measuring Trade Deficit

OW0102164896 Beijing ZHONGGUO XINWEN SHE  
in English 1246 GMT 1 Feb 96

[FBIS Transcribed Text] Beijing, February 1 (CNS) — Whether a market is open should be determined by international standards and GATT regulations rather than by the criteria set by a certain country, Foreign Ministry spokesman Chen Jian said today.

In reply to a question on China's trade surplus with the United States, Mr. Chen said that a trade deficit was not strange to the international community and that the trade deficit between China and the US had not developed overnight.

China had long suffered a deficit in its trade with the US, he said. Changes however took place recently as China now enjoyed a trade surplus.

The Chinese official said that the trade deficit figures claimed by the two sides were beset by great statistical differences. Both China and the US have agreed to set up an expert team to deal with the problem relating to the statistics.

Since 1979, when China started its reform and open door policies, its domestic market has been open to the outside world. The spokesman, however, pointed out that the extent of market openness was not the same in each country. With economic growth and the deeper reforms to the economic system, the China market was much more open when compared with 1979.

#### PRC: Wu Yi on Foreign Trade Trends, Challenges

OW0202023196 Beijing XINHUA Domestic Service  
in Chinese 1539 GMT 23 Jan 96

[By reporters Zhou Liang (0719 0081) and Zhang Yijun (1728 4135 0193)]

[FBIS Translated Text] Beijing, 23 Jan (XINHUA) — The Ministry of Foreign Trade and Economic Cooperation today claimed that China had made tremendous achievements in foreign trade during the eighth five-year plan period, with the total volume of imports and exports adding up to \$1.01 trillion, a growth of over 100 percent from the seventh five-year plan period.

At the National Foreign Trade Working Conference, which opened today, the Ministry of Foreign Trade and Economic Cooperation gave a briefing on China's progress in foreign trade work last year. Total volume of imports and exports of the year stood at \$280.85 billion, up 18.6 by percent from the previous year; this includes \$148.77 billion in exports and \$132.08

billion in imports, up by 22.9 percent and 14.2 percent from the previous year, respectively. Meanwhile, the structure of imports and exports has further optimized. The export value of machinery and electrical appliances has exceeded that of textiles and reached \$43.86 billion, and has become China's largest export category with its proportion in total export value rising from 26.4 percent in the previous year to 29.5 percent in last year. In addition to this, the quality of foreign direct investments absorbed by China improved last year; significant progress was made in foreign contracted projects and cooperation in the field of labor service; multilateral and bilateral trade and economic relations continued to grow; the reform in the field of foreign aid also made new progress.

A review of the Eighth Five-Year Plan reveals that China has marked the best records in history in the work of foreign trade and economic cooperation. According to statistics, the proportion of the exports of manufactured goods in total exports has reached 85.6 percent last year, up by 11.1 percentage points from 1990. In the past five years, a total of 229,800 foreign-invested projects were approved and \$114.7 billion in foreign direct investments were actually put into use, respectively up by 910 percent and 684 percent from the those in the Seventh Five-Year Plan period. Both the import of technologies and complete sets of equipment and the export of technologies saw a larger growth. In the past five years, contracts for construction projects abroad worth a total of \$33.6 billion were signed and 710,000 men-time of labor service were exported, respectively up by 234 percent and 210 percent or more from the seventh five-year plan period.

It is learned that there were still some problems in China's foreign trade work last year, mainly: macroeconomic administration of foreign trade has not been shifted to the track of macroeconomic regulation and control that stresses economic and legal means; there is disequilibrium between coastal areas and the hinterland in the development of foreign trade; the quality of export goods and foreign trade order are not good enough; some enterprises' operating mechanisms and competitive power still fall short of the requirements of the market economy.

Wu Yi, minister of foreign trade and economic cooperation, said at today's meeting: Presently, China's foreign trade sector is facing an opportunity as well as a challenge, but the opportunity outshines the challenge. This year, the entire sector should further emancipate minds, change concepts, conscientiously engage in the work of "two shifts," and achieve growth in foreign trade and economic cooperation by mainly depending on quality.

efficiency, and appropriate scale of operations instead of on quantity and speed.

Wu Yi stressed: The work in foreign trade and economic cooperation has a strong sense of speciality and politics. Cadres, staff, and workers engaged in this work should attach importance to improving their own political and professional quality and should pay attention to politics, studying, and healthy trends. They should enhance their understanding of trade and economic laws and regulations in various countries, so as to meet new changes in the field of current world trade.

**PRC: Wu Yi on Steps To Develop Foreign Trade**  
OW0102143796 Beijing ZHONGGUO XINWEN SHE  
in Chinese 0325 GMT 24 Jan 96

[By reporter Yu Donghui (0151 2639 2547): "Wu Yi Says It Is Necessary for China To Establish a New Unified, Scientific, and Open Structure for Foreign Trade and Economic Cooperation This Century"]

[FBIS Translated Text] Beijing, 24 Jan (ZHONGGUO XINWEN SHE) — Wu Yi, minister of foreign trade and economic cooperation, said that it is necessary for China to basically establish a unified, scientific, and open structure for foreign trade and economic cooperation that is in keeping with the needs of the socialist market economy structure and common international economic rules by the end of this century.

In discussing problems in the development of foreign trade and economic cooperation last year, the on-going China's Foreign Trade and Economic Cooperation Work Meeting here pointed out that the macro-management of foreign trade and economic cooperation has not yet shifted to management mainly by economic and legal means, and that no progress of a breakthrough nature has yet been made in the reform of enterprises of foreign trade and economic cooperation.

Therefore, Wu Yi demanded that the reform of China's structure of foreign trade and economic cooperation should be further deepened and the change in the structure should be speeded up. One of the important aspects is to perfect the indirect readjustment and control system of foreign trade and economic cooperation with economic and legal means as the dominant factors.

Wu Yi pointed out that it is necessary to implement nationwide a unified system and policy of foreign trade and economic cooperation; cooperate with departments concerned to further perfect the foreign exchange rate mechanism; readjust the tariff structure; perfect the tax reimbursement mechanism; standardize foreign-related tax collection and credit support measures; gradually realize the regulation of foreign trade and economic co-

operation by mainly using tariff, foreign exchange rates, interest rates, credit, tax collection, and other policies and measures which are in keeping with common international rules; do a good job in the supervision, monitoring, forecasting, readjustment, and regulation of the operation of foreign trade and economic cooperation; and constantly improve the quality of the growth in foreign trade and economic cooperation.

It is learned that reform of state-owned enterprises for foreign trade and cooperation is regarded as the central link in the reform of China's foreign trade and economic cooperation. The key point this year is to grasp the preservation and growth of the value of state-owned assets and their scientific management.

In addition, the Ministry of Foreign Trade and Economic Cooperation will further perfect procedures for inviting tenders for and the auctioning of export quotas, enlarge the scope of commodities in inviting tenders for and the auctioning of export quotas, study and discuss issues of experimentation in the system of the automatic registration of foreign trade enterprises, properly grasp points for experimentation in the management of foreign trade by Sino-foreign joint ventures, make great efforts to implement the import and export agency system and speed up the shift from the purchase system to the agency system, deepen the reform of work in providing assistance for foreign countries and speed up the implementation of new ways of assisting foreign countries, and speed up legislation related to foreign trade and economic cooperation and perfect as soon as possible the legal system for foreign trade and economic cooperation.

**PRC: Intellectual Property Rights Roundup for 13-28 Jan**

OW2901132796

[FBIS Report] PRC media monitored from 13-28 January carried the following reports on PRC efforts to crack down on intellectual property rights violations. The source is noted in parentheses after each report.

#### **Provincial Public Security Organs Seize Obscene Videos**

On 25 and 28 December 1995, Jiangsu and Guangdong police seized 60,000 and 59,000 pirated obscene laser discs in Suzhou and Shenzhen, respectively. Shanghai police seized 3,300 pornographic laser discs in January-November 1995 period. Anyang, Henan, confiscated 30 obscene videotapes on 20 August 1995. Ankang, Shaanxi, seized 300 obscene videotapes on 5 November 1995. (Beijing XINHUA Hong Kong Service in Chinese 0228 GMT 25 Jan 96)



### **China Scores Achievements in Cleaning Culture Market**

A total of 2,300 pirated computer software programs were seized in the Haidian District of Beijing in 1995. Xian, Shaanxi, seized 20,000 illegal audio-visual products in November 1995. Yiwu, Zhejiang, has confiscated 170,000 illegal audio-visual products since July 1995. (Beijing China Radio International in Mandarin to Hong Kong, Macao, the Zhu Jiang Delta and Southeast Asia 0900 GMT 20 Jan 96)

### **Guangzhou, Shanghai, Shantou Customs Seize Obscene Video Products**

On 15 January, Guangzhou airport customs seized 610 illegal publications and visual products from two foreign nationals during a routine customs check. Recently, Shanghai's Wusong customs discovered 102 pornographic videotapes and 140 obscene books imported by a foreign firm. Shantou customs recently seized 220 pornographic laser discs from a vessel. (Beijing Central Television Program One Network in Mandarin 1100 GMT 28 Jan 90)

### **Beijing Destroys 50,000 Illegal Audiovisual Products**

On 25 January, Beijing destroyed 50,000 electronic audio and visual publications. Officials in the capital have so far seized more than 81,000 illegal electronic publications and books and closed down 31 cinemas showing pirated or pornographic laser discs. (Beijing China Radio International in English to Western North America 0400 GMT 27 Jan 96)

### **Beijing Air Traffic Police Seize Pirated CD's**

On 3 January, Beijing air traffic police arrested five including Chen Chaorong for shipping illegal audiovisual products from Guangdong to Beijing. A total of 3,830 discs were seized, among them were 720 pornographic VCD's, 312 CD videos, and 2,594 pirated VCD's. (Beijing XINHUA Domestic Service in Chinese 0618 GMT 22 Jan 96)

### **Beijing Seizes Obscene Material in Electronics Market**

Over the past month, law enforcement departments have seized 2,300 illegal discs, of which 107 were obscene, at Beijing's Zhongguancun Electronic Street, thereby cleansing the cultural market there. However, a XINHUA reporter was approached by peddlers there who tried to unload their illegal discs on him. (Beijing XINHUA Domestic Service in Chinese 1115 GMT 22 Jan 96)

### **Fujian Seizes 80,000 Illegal Audiovisual Products**

Fujian has launched a drive to crack down on illegal and pornographic audio and visual products since December 1995. As of early January this year, the province had seized 80,000 illegal audio and visual products and shut down 156 cinemas showing laser discs. (Fuzhou FUJIAN RIBAO in Chinese 19 Jan 96)

### **Guangdong Monitors CD Production**

On 2 January, Guangdong dispatched 38 cadres to station at 19 CD plants to monitor their CD production. Those plants welcomed this move and said they would accept the supervision. Ever since the cadres' stationing at CD plants half a month ago, there has been no report of rights violation in the province. (Beijing XINHUA Domestic Service in Chinese 1406 GMT 20 Jan 96)

### **Sale of Illegal Audiovisual Products Rampant in Guangzhou**

Sale of pirated audiovisual products is still rampant near Guangzhou Railway Station. Itinerant vendors peddling illegal audiovisual products can still be seen in some of the commercial streets in Guangzhou at night. (Beijing XINHUA Domestic Service in Chinese 0249 GMT 25 Jan 96)

### **Guangdong Handles Trademark Violation Cases**

Guangdong has handled 715 trademark violation and fake trademark cases, of which 246 involved foreign trademarks, over the past three months. It has been learned that among the foreign trademarks that were infringed upon by private enterprises included those of Exxon, Motorola, and Pepsi Cola. (Beijing ZHONGGUO XINWEN SHE in Chinese 0326 GMT 24 Jan 96)

### **Guangzhou Destroys 400,000 Pirated Products**

Guangzhou destroyed 400,000 pirated laser discs, CD's, audio tapes, and videotapes on the afternoon of 26 January. (Beijing ZHONGGUO XINWEN SHE in Chinese 1345 GMT 28 Jan 96)

### **Guizhou Cleans Up Cultural Trash**

On 4 and 5 January, Zunyi, Guizhou, spot checked the city's audio stores and seized 328 illegal and pornographic VCD's, CD's, laser discs, and 38 pirated videotapes. (Guiyang GUIZHOU RIBAO in Chinese 14 Jan 96)

### **Hunan Audio Stores Sell Pirated Audiovisual Products**

A XINHUA reporter recently visited a street near Changsha railway station and found 90 percent of audiovisual products sold there were pirated editions. When



asked about the source of the audiovisual products, shop owners said they came from Guangdong. (Beijing XINHUA Domestic Service in Chinese 0851 GMT 22 Jan 96)

#### **Qinghai Cleanses Audiovisual Market**

Since the beginning of January, Qinghai has made great efforts to bring order to the audiovisual, book, and magazine market. It has confiscated 570 obscene books, 240 pornographic magazines; seized 2,000 illegal videotapes; and shut down 37 theaters showing laser disc programs. (Beijing XINHUA Domestic Service in Chinese 0856 GMT 18 Jan 96)

#### **Shandong Seizes Pirated Audiovisual Products**

Shandong has handled major cases in its winter drive to "eliminate pornography and crack down on illegal publications." Over the past half-month, 35,000 pirated videotapes and 3,801 smuggled and pornographic CD's, laser discs, and computer software programs were seized. (Beijing XINHUA Domestic Service in Chinese 1417 GMT 13 Jan 96)

#### **Shanghai Destroys Pirated Audiovisual Products**

On 19 January, a 12-ton bulldozer rolled over a number of illegal audiovisual products and electronic products in Jingan District in Shanghai. Last year, Shanghai confiscated more than 200,000 illegal CD's, LD's, VCD's, and electronic products. (Shanghai People's Radio Network in Mandarin 2300 GMT 19 Jan 96)

#### **Sichuan Party Deputy Secretary Destroys Illegal Publications**

On the morning of 19 January, Sichuan party Deputy Secretary Qin Yuqin torched 150,000 obscene, pornographic, reactionary, and pirated publications at Changan Garbage Disposal Ground. (Beijing XINHUA Domestic Service in Chinese 1048 GMT 21 Jan 96)

#### **Sichuan Capital Rectifies Culture Market**

Chongqing, Sichuan, has conducted 96 raids since the end of last year and seized 10,656 audiovisual products and shut down 126 cinema halls showing laser disc material. (Beijing XINHUA Domestic Service in Chinese 2112 GMT 23 Jan 96)

#### **Zhejiang Yiwu Culture Market Back to Normal**

A crackdown on the Yiwu Culture Market in Zhejiang last year drove 300 private vendors out of business. Now, there are only one video store and 50 audio retail stores in Yiwu city. (Beijing XINHUA Domestic Service in Chinese 1444 GMT 22 Jan 96)

#### **PRC: Export-Import Bank Backing Electronics Exports**

OW3101060796 Beijing XINHUA in English  
0547 GMT 31 Jan 96

[FBIS Transcribed Text] Shanghai, January 31 (XINHUA) — The Export-Import Bank of China (Eximbank) will increase its financial backing for the country's exports of electronics products and machinery, said Zhang Peiji, a senior bank official.

Export credits offered by the bank reached 36 billion yuan (about 4.3 billion U.S. dollars) in 1994 and 43.8 billion yuan last year, according to Zhang.

"Our bank's export credit scale will increase on the basis of those of previous years," Zhang said.

The Eximbank is one of China's three policy banks established in 1994 to help boost the exports of electronics products and machinery, which replaced textiles to become the country's largest export item last year.

Customs statistics show that exports of electronic products and machinery were worth 43.8 billion U.S. dollars in 1995, accounting for 29 percent of China's total export volume that year.

Zhang said that this year his bank will mainly finance the export of large items of machinery, electronics products, complete sets of equipments, and high-tech products.

Eximbank will also offer new services such as forward bill discounting and export credits in foreign exchange, Zhang said, adding that credits will be given to finance efforts to attract foreign investment.

#### **PRC: Trade Surplus in Computer Products Cited**

OW0202095396 Beijing XINHUA in English  
0908 GMT 2 Feb 96

[FBIS Transcribed Text] Beijing, February 2 (XINHUA) — Customs statistics show that foreign trade in computer products has been on the plus side over the past three years, at 1.85 billion US dollars' worth by the end of last November.

Total export value of computer products before last December was 4.05 billion dollars, with import value topping 2.2 billion dollars.

China started to export computer products in the late 1980s, but export value of products had never exceeded import value before 1993.

Of the enterprises involved in foreign trade in computers, state-owned ones rank second, after the solely

foreign-funded enterprises, in terms of total export value.

Experts expect China's export value of computer products to reach 10 billion dollars by the end of this century.

However, computer smuggling still constitutes a big threat to the healthy development of the country's computer industry.

**PRC: Li Peng Receives Dutch Industrialist**

OW3001144196 Beijing XINHUA in English  
1349 GMT 30 Jan 96

[FBIS Transcribed Text] Beijing, January 30 (XINHUA) — Chinese Premier Li Peng expressed satisfaction over the smooth development of China-Netherlands friendship in a meeting with G. Jacobs, visiting chairman of the executive board of the International Group of the Netherlands (ING), here today.

Jacobs passed on a letter from Prime Minister Wim Kok of the Netherlands to Li Peng, and in return the Chinese Premier said that Kok's tour to China last year was successful and actively promoted co-operation between the two nations. Li Peng urged the financial, industrial and commercial circles of the Netherlands to contribute more to the bilateral economic and trade links.

At the request of the visitors, Li briefed them on the latest developments in China's finance and insurance industries as well as in the country's reforms.

Jacobs expressed admiration at China's sustained economic development, saying that the ING, which has conducted business in China for a decade, is keen to do more for China's insurance and finance industry.

**PRC: Hewlett-Packard Plans Printer Plant in Pudong**

OW0102141296 Beijing XINHUA in English  
1154 GMT 1 Feb 96

[FBIS Transcribed Text] Shanghai, February 1 (XINHUA) — The US computer giant, Hewlett-Packard, will set up a computers production base in Pudong New Area of Shanghai.

Involving 29 million US dollars, the base is the largest among the company's investment projects in China. The construction of the base will start this April, and complete by the end of 1997.

The base will be specialized in manufacturing jet printers.

Two contracts, one on transferring the right of using 50,000 square meters of land and the other on reserving the right of using 60,000 square meters of land, were

signed between Hewlett-Packard and the local government Wednesday [31 January].

**PRC: Shenyang Firm Guilty of Foreign Trademark Violation**

OW0202083196 Beijing XINHUA in English  
0709 GMT 2 Feb 96

[FBIS Transcribed Text] Shenyang, February 2 (XINHUA) — A Chinese food company in the capital of Liaoning Province has been found guilty of illegally using the trademark and package design of a foreign-funded company.

The Shenyang Yangguang (Sunlight) Food Co. Ltd. has, since 1994, intentionally used a name and package similar to that of the Beltek (Huizhou) Food Co. Ltd., established by Beltek of the United States via its Hong Kong subsidiary, for its noodle packages.

Beltek (Huizhou) has become the largest American-funded food company in Guangdong Province. Its parent company, Beltek (Hong Kong), filed a complaint with the Shenyang City Administration for Commerce and Industry in the second half of last year, saying that many customers could not recognize the difference between its products from those of Shenyang Yangguang.

After a three-month investigation, the administration ruled that Shenyang Yangguang had violated the Unfair Competition Law, and ruled that Yangguang must stop using the name US California Nutritious Noodles and packaging similar to Beltek's.

It also ordered the company to destroy any remaining packages.

Yangguang Company has promised to stop its property rights infringement and to publish a notice of apology in the local media.

**PRC: Qingdao Attracts Investment From ROK**

OW3101044996 Beijing XINHUA in English  
0359 GMT 31 Jan 96

[FBIS Transcribed Text] Qingdao, January 31 (XINHUA) — This port city in Shandong Province has emerged as a new attraction for business people from the Republic of Korea (ROK), having received a total of 1.8 billion U.S. dollars in South Korean investment so far.

Last year saw ROK companies invest 64 million U.S. dollars in the city. By the end of 1995 it had approved 700 ROK-funded enterprises.

Meanwhile, the city's trade promotion council, a non-governmental economic organization, introduced seven



projects involving more than 10 million U.S. dollars each last year alone.

**PRC: Jilin Seeks To Expand Northeast Asia Ventures**

*OW0102165496 Beijing ZHONGGUO XINWEN SHE in English 1147 GMT 1 Feb 96*

[Jilin To Be Increasingly Active in Northeast Asia Business in 'Ninth Five-Year Plan']

[FBIS Transcribed Text] Changchun, February 1 (CNS) — The Fourth Session of Jilin Provincial People's Congress has revealed that the Province is to re-organize import and export concerns as well as make use of over US\$ 4 billion in foreign capital over the next five years. The Province will further open up to foreign investment and actively cooperate and compete in the business world of the northeast Asian region.

During the "Ninth Five-Year Plan", Jilin will be linked to the Sino-Russian Frontier Railway and works on the Tumen River will improve navigation to sea. A frontier open zone stretching from Huichun to Yanji, Linjiang, Changbai and Ji'an will be established. While renovating the Harbin-Dalian Railway, expressways between Changchun and Siping, Jilin and Harbin will also be completed so as to strengthen connections with the economic regions round the Bohai Sea. Preparations will be made for the construction of Changchun International Airport. Four development regions at State level and 12 at provincial level will be well administered. A high-capacity digital telecommunications network covering the whole Province will be introduced. Foreign-funded enterprises will gradually receive the same treatment as their local counterparts.

In the next five years, the Province will absorb foreign investment, especially that of the multinationals. The introduction of foreign capital will be expanded through proven international practices such as the transfer of property rights and the issue of shares overseas. Foreign capital to be used in the Province should exceed US\$ 4 billion.

### Agriculture

**PRC: 'Forceful' Steps Promised To Ease Farmers' Burdens**

*OW0102165196 Beijing XINHUA in English 1615 GMT 1 Feb 96*

[FBIS Transcribed Text] Beijing, February 1 (XINHUA) — Chinese Vice-Premier Jiang Chunyun said here Wednesday that forceful measures will be taken to absolutely ease unreasonable burdens on farmers.

Jiang, also a member of the Politburo of the Central Committee of the Communist Party of China (CPC), made the remark Wednesday [31 January] after listening to reports from a team of officials who had been sent by the State Council to five provinces January 16 to 27 to look into whether local governments levy extra charges on farmers.

He said that the practice of levying extra charges on farmers has "bounced back" in some areas and it is very serious in a number of places.

Wen Jiabao, an alternate member of the Political bureau of the CPC Central Committee and a member of the Secretariat of the CPC Central Committee, also attended the report meeting.

They agreed that the actual burden levied on farmers in some places is against the relevant rules and regulations of the State Council and does not conform to the local economic development and the actual capacity of farmers to bear it.

They called upon all local governments to forcefully implement the relevant policies, laws and regulations of the Central Party Committee and the State Council on the lightening of farmers' burden, check the "bounce-back" trend and get rid of all irrational burden off farmers.

They said that all those who violate the laws and regulations by increasing farmers' burdens will be severely dealt with.

**PRC: Higher Grain Production Remains Top Priority**

*HK0202082196 Beijing CHINA DAILY in English 2 Feb 96 p 1*

[By Wu Yunhe: "Grain Output To Be Top Priority"]

[PTS Transcribed Text for FBIS] Increasing grain production will remain the country's top priority in the coming years, Agriculture Minister Liu Jiang declared yesterday.

The focus of China's rural economic development programme for the 1996-2000 period is to ensure the stable growth of grain output, while the farmers' income should grow at the same pace as their crops, Liu told an ongoing national work conference on rural economy.

At the four-day meeting, which will conclude today in Beijing, Liu noted that in order to increase farmers' income and ensure a nationwide balance in the supply and demand of farm produce, the government will spare no effort in developing production of grain, cotton and vegetables as well as the rural industry.



Liu called upon agricultural officials attending the conference to join rural farmers in an all-out drive to develop agricultural infrastructure this year in order to secure sustainable growth of the rural economy.

The development requires the help of agricultural technology, which will be vigorously upgraded under the strong policy support of the government, he added.

Liu said the government will strive to protect the country's grain-producing areas from shrinking, and ensure that the lands remain at about 110 million hectares by the end of this century.

As to the structure of crop production, he stressed the importance of rice, maize and wheat outputs, which will be vital in the government's efforts to increase the country's food supply.

Liu noted that South China will be the country's rice production base, while North China will become the maize production centre.

The government will make efforts to turn lands along the Yellow, Hwaihe and the Haihe rivers [as published] into the country's wheat producing areas.

Liu expressed the government's hope that cereal waste would be banned.

In the years to come, China will open up more presently barren lands for the production of cotton.

He noted the government will punish any activity in making use of the grain and cotton producing lands for fruit production.

Through opening up more of the country's waste hills and barren lands, the country's fish-breeding industry will also benefit.

Fish-breeding in fresh water and offshore will play a major role in the fisheries.

The government will also strongly support the development of cereal-saving household animals, such as cattle, sheep and poultry.

In addition, the government will continue its support to the development of rural industries.

It will introduce the joint-holding system to the industries to improve their internal management structure, and encourage co-operation between eastern and western rural enterprises.

Development of the rural industries will focus on upgrading manufacturing technology.

**PRC: Agriculture Minister on Rural Development Goals**

OW0102154496 Beijing XINHUA in English  
1436 GMT 1 Feb 96

[FBIS Transcribed Text] Beijing, February 1 (XINHUA) — China will concentrate on the development of grain, cotton and vegetables as well as rural industry this year to steadily increase the supply of farm products and farmers' incomes.

Speaking at an ongoing national working conference on agriculture here today, Minister of Agriculture Liu Jiang said the crop focus should be placed on grain, of which the cultivated areas must remain at 110 million ha this year. It is necessary to rely on science to raise the output of grain and cotton, he added.

According to the minister, the country will rearrange vegetable production bases and improve the market mechanism with the wholesale market in the main position, while encouraging farmers to sell their products themselves or in form of co-operation.

Farmers are also encouraged to raise livestock consuming more grass and less grain, and make full use of barren water surfaces and low-lying areas to cultivate aquatic products.

Liu called on rural industrial enterprises to continue their reform of property rights in the form of shareholding and co-operation, upgrade their enterprises with science, strengthen their management and expand the export economy so as to make greater contributions to agriculture.

Agricultural departments are urged to popularize science and education, to speed up the process of formation of the seeding sector, make better use of funds for agriculture, improve the legal system in rural areas, increase farmers' incomes and relieve them of financial burdens, and mobilize and protect their enthusiasm for farming.

**PRC: Breakthrough in Fertilizer Production Technology**

OW0102154696 Beijing XINHUA in English  
1414 GMT 1 Feb 96

[FBIS Transcribed Text] Beijing, February 1 (XINHUA) — Chinese fertilizer manufacturers have finally found a new way to produce fertilizer using ordinary raw coal rather than the more expensive anthracite and coke.

With the new technique, the "manufacturing of synthetic ammonia with liquid coal through pressured gasification

and gas purification", the domestic fertilizer manufacturers can use a wide variety of coal, which will help lower their production costs.

Some 1,000 Chinese fertilizer factories rely on coke and quality anthracite as raw materials. Quality anthracite, which is concentrated in a comparatively few places and has to be transported over long distances to fertilizer factories, has, to a great extent, increased the production costs of fertilizer.

The new technology, however, enables fertilizer manufacturers to use raw coal produced locally or in neighboring areas.

By the end of this century China plans to turn out 170 million tons of fertilizer, which will meet over 90 percent of the domestic needs.

During the Ninth Five-Year Plan period (1996-2000) China will start construction of fertilizer projects with a total production capacity of 40 million tons, 30 million tons of which will be completed in the meantime.

#### PRC: 'Record High' Chemical Fertilizer Output in 1995

OW0202100796 Beijing XINHUA in English  
0932 GMT 2 Feb 96

[FBIS Transcribed Text] Zhengzhou, February 2 (XINHUA) — China's chemical fertilizer output last year hit a record high, up 12.9 percent from the previous year, at 114 million tons.

Gu Xiulian, minister of the chemical industry, told a recent national working conference on chemical fertilizer production here that the quality of fertilizers has also improved, and material and energy consumption has fallen.

By the end of November, the country's 16 large fertilizer plants, some of whose products are under state monopoly in sales and marketing, had sold 6.73 million tons of chemical fertilizer to the state, and achieved their output goal a month earlier than scheduled.

Large and medium-sized plants still maintained 100 percent of standard production rate in urea, ammonia and fine methanol, and that of small enterprises was above 99 percent.

Last year, the government granted favorable status to the fertilizer producers in taxes, electric power, materials, transportation and loan-granting. A total of three billion yuan in government loans was put into the sector.

Many of the large and mid-sized enterprises have recovered from their former status as money-losing companies and begun to make profits.

#### PRC: River Basin Area Improves Agricultural Results

OW0202100596 Beijing XINHUA in English  
0832 GMT 2 Feb 96

[FBIS Transcribed Text] Hefei, February 2 (XINHUA) — The eight-year comprehensive agricultural development on the plain between Yellow, Huaihe and Haihe rivers has achieved remarkable economic results.

The plain, with 20 million ha of arable farmland, or 18 percent of China's total, is one of the country's major suppliers of farm and animal husbandry products. Nevertheless, 80 percent of its farmland is low or relatively-low yielding because of floods and poor soil and irrigation conditions.

Anhui, one of the five provinces on the plain, has thrown in 200 million workdays and invested 2.13 billion yuan in improving 600,000 ha of low-yielding farmland and bringing water to 390,000 ha of arid land, Deputy Governor Wang Zhaoyao said.

As a result, the province's annual grain output rose by more than 500 million kg last year over the previous year despite a prolonged drought in the winter-spring period.

Completion of the first two-phase construction helped to raise its grain output by 1.25 million tons, cotton by 22,300 tons, edible vegetable oil by 42,000 tons and meat by 69,700 tons.

The agricultural output value of the plain area totaled 2.8 billion yuan, representing a 16.3-percent increase. And local farmers' annual net income averaged 1,000 yuan per capita, one-fifth more than the figure for other areas in the province.

The deputy governor revealed that his province is to invest 3.6 billion yuan in the plain's agricultural development in the next five years.

Some 300,000 ha of medium or low-yield farmland are expected to be improved in the 1996-98 period and the figure will rise hopefully to 1.5 million ha by the year 2000. Grain output harvested from the plain will reach 1.25 billion kg by then.

#### PRC: Guangdong Reports Grain Production Plans

OW0202083296 Beijing XINHUA in English  
0741 GMT 2 Feb 96

[FBIS Transcribed Text] Guangzhou, February 2 (XINHUA) — The economically-booming Guangdong Province, south China, has decided to boost food grain production this year.



While carrying out local government contract responsibility system on grain production continuously, the provincial government will grow cereals crops on 3.33 million to 3.4 million hectares of farmland, which are expected to produce between 18 million tons and 18.25 million tons of grain.

By the end of this century, the cereals producing areas will expand to more than 3.7 million hectares with an average grain output reaching about 20 million tons.

To accomplish the goal, Guangdong will build 50 market-oriented grain production bases this year.

It plans to transform all low-yield farmland, and increase special funds for popularizing agro-techniques by the end of this century.

In addition, the provincial people's congress has issued a package of regulations and rules for protection of farmland.

**PRC: Heilongjiang Grain Output Reaches 25 Million Tons**

OW0202095596 Beijing XINHUA in English  
0821 GMT 2 Feb 96

[FBIS Transcribed Text] Harbin, February 2 (XINHUA) — Heilongjiang, northeast China's agricultural giant, reported a sharp increase in grain production with output climbing to 25 million tons by 1995.

A local agricultural official said the success is due mostly to investment in agriculture and the popularization of modern agro-techniques.

He said that the amount of funds used in agriculture increased by 31 percent, reaching 10.5 billion yuan last year. Over 85 percent of the funds were raised by farmers themselves.

Investment in major production materials such as chemical fertilizer and plastic sheet has increased with each passing year.

Another major factor was a widespread campaign to increase knowledge of new techniques which has helped to raise per hectare output of maize to six tons, double 1990's figure.

**PRC: Ningxia's Agriculture Records High Growth**

OW0102145296 Beijing XINHUA in English  
1342 GMT 1 Feb 96

[FBIS Transcribed Text] Yinchuan, February 1 (XINHUA) — The Ningxia Hui Autonomous Region in northwest China has maintained an annual grain output of not less than two billion kg for five consecutive years, in spite of exceptionally bad weather and frequent natural disasters.

The region registered a year-on-year growth rate of 3.67 percent in the agricultural sector, and the output of oil-bearing crops, sugar-bearing crops and aquatic products increased respectively by 14 percent, 27.1 percent and 115.7 percent over the past five years.

Zhou Shengxian, vice-chairman of the regional government, said that the production capacity of Ningxia's agricultural sector has reached a new high, thanks to improvement of production materials and planting conditions.

In the country's Eighth Five-Year Plan period (1991-1995) the region upgraded more than 100,000 ha [hectares] of low- and medium- yielding farmland, and increased its irrigation area by 100,000 ha.

Moreover, it improved more than 134,000 ha of dry farmland, and reclaimed an arable area totalling 8,757 sq km from soil erosion.

With region-wide promotion of machinery technology, the total power of agricultural machines hit 2.14 million kw. Meanwhile, more than 700 agro-technology achievements were introduced to the rural area of Ningxia, which has contributed much to the rapid growth of agriculture, Zhou said.

**PRC: Ningxia Details 1996 Agricultural Plans**

OW0102014896 Beijing XINHUA in English  
0122 GMT 1 Feb 96

[FBIS Transcribed Text] Yinchuan, February 1 (XINHUA) — The Ningxia Hui Autonomous Region in northwest China will have a grain output of 2.1 million tons, and 75,000 tons of oil-bearing crops this year.

At an agriculture conference opened on Wednesday, the regional government proposed that meat, eggs, milk, fruit, and vegetable output basically meet all demand of local markets, and that income of farmers exceed 1,200 yuan per capita this year.

To ensure that the ambitious goals are met, the regional government will maintain a planting area of no less than 730,000 ha for grain this year, and will encourage farmers to do more multiple cropping.

The government also intends to speed up spreading agricultural technology in rural areas, and increase input into improving seed strains.

Government investment in agriculture will reach a new high this year to secure adequate supplies of agricultural production materials, the regional government has promised.



### East Region

#### PRC: Anhui Officials Address Judicial Work Conference

*OW0102144496 Hefei Anhui People's Radio Network in Mandarin 1030 GMT 26 Jan 96*

[From the "Provincial Hookup" program]

[FBIS Translated Text] Lu Rongjing, provincial party committee secretary, and Governor Hui Liangyu delivered important speeches during the 24 January closing session of the provincial judicial and public security work conference.

Lu Rongjing pointed out: Last year, judicial and public security departments in our province fully performed their functions while focusing on the central task of economic construction. Consequently, they ensured political and social stability in our province. Market economic development and the deepening of reform and opening-up policies — especially the implementation of the Ninth Five-Year Plan and long-term goals to 2010 — have set new, higher demands for judicial and public security work. The more we deepen reform and the wider we open up, the more attention we should pay to strengthening judicial and public security work.

Lu Rongjing stressed: We should give priority to maintaining stability in judicial and public security work. Party committees and governments at all levels should conscientiously assume the political responsibility of ensuring safety in their jurisdictions. They should follow the mass line and rely on the masses in maintaining stability. Lu Rongjing pointed out: We should take the opportunity arising from running the province in accordance with the law to strengthen the socialist legal system further. We should expedite the legislative process, handle affairs in strict accordance with the law, enforce the law strictly, implement [words indistinct] law popularization plan in an all-around manner, and create a sound legal environment.

Lu Rongjing stressed: We must further strengthen the party's leadership over judicial and public security work. Party committees and governments at all levels should incorporate judicial and public security work in their important tasks. Principal and responsible party and government comrades should earnestly deal with major problems that affect social stability and public order. We should strengthen leading bodies in judicial and public security departments. Judicial and public security departments at all levels should readily accept party committees' leadership.

Hui Liangyu pointed out: Judicial and public security work is an important matter that has a bearing on national security. Party committees and governments at all

levels should continue the strategic principle of grasping two links with equal firmness; correctly handle the relationship between reform, development, and stability; persist in the central task of economic construction; maintain a high degree of political vigilance; safeguard social stability; and provide effective guarantees of economic construction, reform, and opening up.

Hui Liangyu stressed: To continue implementing all measures pertaining to the comprehensive management of public order, we should first implement the leadership responsibility system. Those in charge of party committees and governments at all levels should assume overall responsibility for local public order. Second, we should improve public order at the grass-roots level to foster an atmosphere of law and order in localities. Third, we should exercise proper control over migrants and strengthen legal education among youth.

Hui Liangyu stressed: We should run police forces strictly and accord the police preferential treatment. We should continue to observe the three prohibitions laid down by the Central Commission on Politics and Law; improve discipline and curb unhealthy practices; strengthen education by positive examples; vigorously promote efforts to learn from the (Jinan) traffic police squad in strictly enforcing the law and enthusiastically serving the people; and foster a good image for judicial and public security personnel. We should pay attention to solving the practical problems of judicial and public security departments, and implement in a step-by-step manner the centrally determined important principle of according the police preferential treatment and building up police forces through solicitude.

Other provincial leaders who attended the conference were Meng Fulin, Fang Zhaoxiang, Yang Duoliang, and Xu Xueshou.

#### PRC: Illegal Activity Under Banner of Christianity Viewed

*OW0501134696 Hefei Anhui People's Radio Network in Mandarin 1030 GMT 31 Dec 95*

[From the "Provincial Hookup" program]

[FBIS Translated Text] The Anhui provincial party committee and the provincial government recently held their second working meeting to hear reports on cracking down on organizations in schools and reactionary organizations which have carried out illegal and criminal activities under the banner of Christianity.

Fang Zhaoxiang, deputy secretary of the provincial party committee, gave an important speech at the meeting, which was chaired by Vice Governor Yang Duoliang. Attending the meeting were comrades in charge of

prefectural and municipal party committees and law enforcement departments.

Ever since the first meeting was held on 16 November, local authorities have intensified their leadership over the crackdown. The fight has been proceeding smoothly and has achieved rather noticeable results. By 25 December, the organizational structure of some school organizations — such as the Billy the King [bei li wang], the Outcry [bu han pai], and the Station of Mainland China's Administrative Situation [zhong hua da lu xing zheng ju shi zhan] — had been destroyed; the ringleaders of these school organizations had been handled according to the law; and a large quantity of printing and propaganda equipment, means of transportation, and telecommunication equipment these organizations used had been seized.

In his speech, Fang Zhaoxiang urged all local party committees and governments to intensify their efforts in cracking down on school organizations' illegal and criminal activities. He said: Public security organs, procuratorial organs, and people's courts must work in close coordination with one another. They must operate lawfully, and act surely, accurately, and ruthlessly in coming down on these school organizations' lawless ringleaders and backbone elements. They must intensify their efforts in publicizing the party's and the state's religion policy, as well as the relevant laws and regulations, so that the masses can increase their immunity as well as their discerning ability, and so that they will consciously fight all kinds of heretic religions and reactionary and unlawful organizations, and safeguard our society's political stability and order. In accordance with the requirements set by the provincial meetings on promoting cultural and ideological progress, we must now take practical measures so that socialist ethics will firmly take over the countryside, which is an important bastion.

**PRC: Fujian Drafts Blueprint for Economic Growth**  
*OWD102062396 Beijing XINHUA in English*  
*0603 GMT 1 Feb 96*

(FBIS Transcribed Text) Fuzhou, February 1 (XINHUA) — East China's Fujian Province has blueprinted its ambitious economic growth to turn itself into a more prosperous region on the western side of the Taiwan Straits in 25 years.

Overall economic strength of the coastal province will be close to that of moderately developed countries when the program takes effect.

By the year 2020, Fujian's GDP is expected to reach 2.4 trillion yuan, accounting for seven percent of the national total.

Per capita GDP will come to 56,000 yuan, and the ratio of urbanized area is to be enlarged to 65 percent. An estimated 60 billion U.S. dollars are to be used in building key projects and the total export value will climb to 130 billion U.S. dollars.

The plans also paint a rosy picture for local residents as per capita annual income of urban dwellers soars to 39,000 yuan, while farmers' real income jumps to 18,000 yuan.

This is an astronomical figure compared with the annual net income of 4,300 yuan for local urbanites and farmer's 2,000 yuan at present.

A local economist cites many reasons for the possibility of this ambitious program, among which are the fact that the province has completed an initial stage of industrialization and its rapid economic growth has placed it out in front both in overall growth and per capita share of GDP.

The next 25 years will be a period of vigorous development and a timetable has been set for a three-stage development.

The first phase, which begins this year and ends in the year 2000, will lay a solid foundation for an economic take-off.

By 2000, provincial GDP will climb to 261.6 billion yuan with an annual growth rate of 14 percent. Pillar industries will grow rapidly, industrial structure will be improved, obstacles to market operations are to be removed and a more thorough legal system for the free flow of cargo, technical personnel, funds and technology will be in place.

The second phase, from 2000 to 2010, will be a period of high-speed development. In the end, its GDP will be 3.2 times the figure in 2000, standing at 849.4 billion yuan. More modern infrastructure will be built, six inter-provincial railways will be operating, and regional financial, commercial, trade, scientific, and cultural centers will be formed. The economy and trade growth of Fujian and Taiwan will be closely integrated.

The third phase, from 2010 to 2020, is a crucial period. Fujian will become the first developed area in China to have a GDP going up to 2.4 trillion yuan. It will develop into a leading manufacturing, commercial, trade, and financial center in the Asia-Pacific region. A Taiwan Straits Economic Development Zone will be formed to complement the integrated economic and trade development between Fujian and Taiwan.



**PRC: Jiangxi Revenue Income Up Substantially in 1995***OW3001134796 Nanchang JIANGXI RIBAO  
in Chinese 18 Jan 96 p 1***[By reporter Chen Saiwen (7115 6357 2429)]**

**[FBIS Translated Excerpt]** This reporter has learned from the provincial financial and taxation work conference, which opened on 16 January, that the province achieved breakthrough progress in revenue income in 1995, with the province's total revenue exceeding 10 billion yuan and the number of counties, cities, and districts each with over 100 million yuan revenue receipt reaching 21.

The province's local revenue topped 6.4 billion yuan in 1995, up 31.1 percent from the previous year, thus representing an overfulfillment of 23.9 percent over the budget adopted at the third session of the eighth provincial people's congress; and with the two taxes, namely, value-added and consumption, which were delivered to the state treasury, the province's total revenue last year was 10.05 billion yuan, 18.4 percent more than in 1994. The fact that the province had been able to overfulfill its revenue income task and to control expenses within the budget had basically ensured the funds needed to develop various undertakings in the province, promoted reform and opening up, the economic construction, and raised the people's living standards. [passage omitted on list of counties, cities, and districts that had revenue exceeding 100 million yuan in 1995]

**PRC: Jiangxi Work Conference Sets Economic Guidelines***OW3101144696 Nanchang JIANGXI RIBAO  
in Chinese 19 Jan 96 p 1***[By reporter Zhou Sixian (0719 1835 6343)]**

**[FBIS Translated Text]** A four-day provincial economic work conference called by the provincial CPC committee and government closed in the afternoon of 18 January. Meeting participants called on the cadres and masses in the province to do an even better job, to be enterprising, to strive for solid results in this year's economic work and in other areas, and to help create a good beginning for implementing the Ninth Five-Year Plan.

During the conference, guidelines laid down at the central economic work conference were duly transmitted, the province's experience in 1995 economic work was summed up and exchanged, general demands for the province's economic work in 1996 were set, major targets for this year's economic work were decided, and concrete measures to realize this year's economic tar-

gets were formulated. Comrades at the meeting enthusiastically discussed provincial party Secretary Wu Guanzheng's speech at the opening ceremony and acting Governor Shu Shengyou's arrangements for this year's economic work by taking into consideration the situation in their localities and departments. Discussions during the meeting helped them further unify thinking, set forth clear tasks, and increase confidence. Comrades in charge of prefectures and cities spoke about ways to grapple with their economic tasks for this year. Participants agreed that the economic conference helped unify understanding, emancipate the mind, and create a new phase in work. They also said that the meeting will also help produce new results in their work.

Provincial party Deputy Secretary Shu Huiguo presided over the closing meeting. Provincial leaders attending the closing meeting included Zhong Qihuang, Mao Zhiyong, Zhu Zhihong, Ma Shichang, Peng Kunsheng, Feng Jinmao, Zhong Jiaming, Peng Hongsong, Liu Dewang, Sun Yonghe, Zhu Yingpei; and governor's assistants Jiang Zhongping, Ling Chengxin, and Hu Changqing. Vice Governor Zhou Zheping gave an overall summing up of the meeting.

Zhou Zheping stressed the need to have a full and in-depth understanding of the guidelines set forth at the meeting. He said the economic conference was an extremely important meeting. He also urged all to understand the following major points to understand the meeting guidelines: clearly set forth goals; buckle down to help effect the "two fundamental economic shifts"; handle well relations between reform, development, and stability; and strive to do a good job in six areas of work in a down-to-earth manner. To set clear goals, it is necessary to have a full understanding of the general demands and major targets of this year's economic work worked out by the provincial CPC committee and government, to maintain a rapid economic growth, to pay particular attention to the adjustment of the economic structure, and to raise economic efficiency. While ensuring an increase in economic efficiency, the province needs to attain fast economic growth and to ensure that this growth will continue to be higher than the national average. Enthusiastic shifting of the economic structure and economic growth mode is not only the central task in this year's economic work but also a key to realizing the mid- and long-term development target. The two "fundamental shifts" are interrelated and complement each other. The efforts of effecting the two fundamental shifts can be compared to taming an ox. In essence, market competition, which is getting fiercer day by day, is a competition of technology, efficiency, and quality. We must raise awareness and a sense of urgency in bringing about

a shift in the economic growth mode and genuinely move economic growth onto the track of relying on technological progress and of raising worker quality. To do well in this year's economic work, it is necessary to have a good grasp of the "20-character principle" (seize the opportunity, deepen reform, open up wider, promote development, and maintain stability) and to correctly handle the relationship between reform, development, and stability. Development is the key and the final objective. Reform is the motive force. Stability is the precondition for reform and development. A six-point proposal was raised at the economic conference on doing good economic work. First, it is necessary to accord agriculture the top priority status in the national economy. Second, there is a need to produce more results in the stepped-up reform of state-owned enterprises and in raising industry's competitiveness. Third, greater development should be achieved through wider opening up of Jiangxi to the outside world. Fourth, more investment is needed to build up the reserve force for further economic development. Fifth, better efforts are required to improve the financial work. And, sixth, continued efforts are needed to help maintain market prosperity and to ensure basic stability in commodity prices.

Zhou Zheping pointed out the need to pay attention to the tackling of major and difficult economic problems in this year's economic work. While there is a need for not losing sight of the extremely favorable conditions and for seizing the once-in-a-lifetime opportunities, all are urged to be fully prepared for possible difficulties and contradictions. One needs to think ahead of dangers, impose self-pressure, and forge ahead with force and spirit. The provincial CPC committee called for improving the livelihood of the provincial people this year, bringing a new outlook to the province, and effecting greater changes. All should strive to respond to those calls. In actual economic work, there is a need to grapple with major and difficult economic problems. First, it is absolutely necessary to bring commodity prices under control. Second, efforts should be concentrated on increasing enterprise efficiency. Third, efforts must be made to increase exports. Fourth, all means need to be employed to increase effective investment. And, fifth, government functions need to be changed to better serve the economy.

In his speech, Zhou Zheping called on all to vigorously and resolutely implement various policies, to work in a pragmatic manner, and to perform well various tasks. Following the conference, all prefectures, cities, and departments must conscientiously transmit and implement the conference guidelines in line with the arrangements of the provincial CPC committee and government and

by taking into consideration the situation in their own regions and departments. It is also necessary to work out good implementation measures for all regions and departments in line with the demands set forth in the reports by provincial party Secretary Wu Guanzheng and acting Governor Shu Shenyong. A top-down leadership responsibility system needs to be instituted to bring about proper task assignment and a clear definition of responsibilities. All levels of government must stress the implementation of measures to realize this year's economic target. The whole year's work depends on a good start in spring. The most important thing now is to work out a meticulous plan, to lose no time in doing a good job in the first quarter, and to make a good beginning for the entire year. The big gains scored by the province in rural work last year need to be consolidated and developed. There is a need to prepare for another bumper harvest this year. Industry and transport sectors must take the initiative, seek fast growth, and pay attention to economic efficiency. The distribution sector should seize the advantageous opportunity in the peak purchasing period in the first quarter to promote sales and increase efficiency. The people's livelihood should be well taken care of during the Spring Festival. The masses' urgent problems need to be attended to as quickly as possible. Particular attention needs to be given to the masses in impoverished regions, to workers whose plants were forced to shut down or are in a state of semi-shutdown, to retired folks, to lonely elderly, and to the handicapped, so that the masses may have a peaceful and happy Spring Festival.

Zhou Zheping said Jiangxi's rejuvenation is the common aspiration and grand cause for 40 million Jiangxi people. There is a great reservoir of power in the masses. By upholding the party and mass lines, forging close ties with the masses, wholeheartedly relying on the masses, sharing weal and woe with them, and working with them, all problems can be overcome. All levels of leaders are urged to genuinely improve their work style; emancipate their thinking; seek truth from facts; work really hard; be enterprising; carry forward the spirit of "showing fearlessness in attacking a fortress and overcoming difficulties through hard struggle"; conscientiously fulfill all tasks down to every detail; unify the masses; and with them, score a total victory in this year's economic work and other undertakings.

**PRC: Zhejiang Attains Family Planning Target**  
*OW0102125896 Hangzhou ZHEJIANG RIBAO*  
*in Chinese 16 Jan 96 p 1*

[By correspondent Huang Xinmei (7806 9515 2812) and reporter Gu Yining (6253 0122 1337): "Zhejiang Accomplishes Eighth Five-Year Plan for Family Planning



as Scheduled With A Total Population 630,000 Less Than the State's Control Figure by the end of the Plan Period and a Total Birth Rate for Women of Childbearing Age at the Level of Developed Countries"]

[FBIS Translated Text] According to the provincial family planning commission, Zhejiang has accomplished the Eighth Five-Year Plan for family planning as scheduled, and it had 630,000 less births than the state-set control figure by the end of the plan period. Zhejiang is leading the country in family planning work. Presently, the total birth rate for women of childbearing age in Zhejiang has reached the level of developed countries, the trend of runaway population growth has been brought under effective control, and the potential baby boom has basically been kept down.

It has been learned that the Eighth Five-Year Plan period was a peak period in child bearing in Zhejiang as the number of women of childbearing age was at its peak. It is gratifying that under the leadership of the provincial party committee and government and under the efforts of family planning workers and the broad masses of the people, Zhejiang has smoothly passed this peak period. Its average natural birth rate grew by only 0.73 percent during the Eighth Five-Year Plan period, down 0.212 percentage points from the Seventh Five-Year Plan period and an all-time low since the launching of the family planning campaign in the 1960s.

According to statistics, each woman of childbearing age in Zhejiang bears 1.5 children on average throughout her lifetime; this rate is equal to that of women of childbearing age in developed countries. It indicates that Zhejiang has entered a stage of a low birth rate, low mortality, and a low population growth rate, and that its population development is shifting toward modernization. According to population statistics for the first four years of the Eighth Five-Year Plan period released by the provincial statistical bureau and the prediction of a less than 1.3-percent birth rate in 1995, the total population in Zhejiang will not exceed 43.97 million by the end of Eighth Five-Year Plan period.

### Southwest Region

**PRC: Tibet Economic Conference Sets Goals for 1996**

OW3101135696 Lhasa XIZANG RIBAO in Chinese  
4 Jan 96 p 1

[By reporters Cheng Xiaohong (4453 2556 4767) and Pu Kaiyou (0126 7030 0147)]

[FBIS Translated Excerpt] A regional economic conference focusing on the overall requirements, top priorities, and policy measures for economic work in 1996 opened

ceremoniously at the Great Hall of the Tibetan People on 3 January.

Gyalcan Norbu, executive deputy secretary of the regional CPC committee and chairman of the regional government, presided over the meeting.

Regional leaders, including Basang, Danzim, Yang Chuantang, Lieque, Li Guangwen, Li Liguang, Puqung, Zheng Ying, Pudoje, Gong Xida, Xu Mingyang, Laba Pingcuo, Toinzhub, Ciren Zhuoga, Luosang Toinzhub, Sun Qiwen, Luosang Danzeng, Lhamin Soinam Lhunzhub, Jimzhong Gyalcan Puncog, Lhalu Cewang Doje, Tangmai Gongjue Baimu, Gonbasar Tubdanjigzha, Qaba Gaisang Wangdui, and Yang Youcai, were seated in the front rows.

Officials in charge of regional departments and bureaus, secretaries of prefectural and city CPC committees, prefectural commissioners, and officials in charge of economic departments attended the conference.

Among the top items on the conference's agenda were: relaying the central economic conference guidelines; summing up Tibet's economic work in 1995; analyzing the current situation; and setting, after study, the overall requirements, top priorities, and policy measures for economic work in 1996.

Deputy Secretary Basang delivered an important speech entitled, "Achieve Unity in Thinking and Understanding, Enhance and Improve Leadership, and Make This Year's Economic Work an All-Round Success." The speech was divided into three parts: the region's economic situation and the overall requirements for this year's economic work, top priorities in this year's economic work, and enhancing and improving leadership over economic work.

Basang said: Nineteen ninety-six is the first year of the Ninth Five-Year Plan. Good economic performance in 1995 will mean smooth accomplishment of 1996 economic tasks and a good start of the economic and social development plan in the next 15 years; it is also vital to the smooth accomplishment of Tibet's Ninth Five-Year Plan for Economic and Social Development and the Long-Term Target for 2010. In accordance with the central economic conference guidelines and central guiding principles for Tibet's work and taking into consideration Tibet's reality, the overall requirements of Tibet's economic work for 1996 are: uphold Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics and the party's basic line and principles; deeply implement the guidelines of the Third Central Forum on Tibet and the fifth regional CPC congress; correctly handle the relations among reform, development, and stability; make positive efforts in ef-

fecting the shift of the economic system and economic growth mode; conscientiously implement the strategy of invigorating Tibet's economy by applying scientific and technological achievements and promoting education; make continued efforts in strengthening the role of agriculture and animal husbandry as the economy's foundation; continue to emphasize the reform and development of state-owned enterprises; make continued efforts in strengthening and improving macroeconomic regulation and control; bring down the inflation rate; expedite the pace of opening up to the outside world; bring about sustained, rapid, and healthy growth to the economy and all-round social progress; create conditions for economic development, reform and opening up, social progress, and people's happiness; and make a good start and lay a solid foundation for the implementation of the Ninth Five-Year Plan. The principal economic tasks for 1996 are: make positive efforts in effecting the shift of the economic system and economic growth mode; strengthen the role of agriculture and animal husbandry as the national economy's foundation; intensify economic restructuring with the focus on reform of state-owned enterprises; strengthen and improve macroeconomic regulation and control; make persistent efforts in opening up wider to the outside world; conscientiously implement the strategy of invigorating Tibet's economy by applying scientific and technological achievements and promoting education; and make vigorous efforts in improving infrastructure facilities.

In view of the above-mentioned overall requirements and principal tasks and in light of today's reality, Basang pointed out that we must pay close attention to the following tasks in this year's economic work: First, make continued efforts in implementing the guiding principles for Tibet's work and further straighten out ideas for economic development. Second, enhance our understanding and make positive efforts in effecting the shift of the economic system and economic growth mode. Third, intensify efforts in strengthening the role of agriculture and animal husbandry as the economy's foundation. Fourth, intensify economic restructuring with the focus on state-owned enterprises by a variety of measures. Fifth, implement effective measures to enhance and improve macroeconomic regulation and control. Sixth, further update our ideas and improve our performances in implementing the policy of opening up to the outside world and developing an open domestic economy. And seventh, bring about coordinated development of economic and social undertakings.

Speaking of strengthening and improving leadership over economic work, Basang emphatically pointed out: With the principles, policies, goals, and principal tasks clearly set, the key to success lies in solid efforts in

implementation by party committees and governments at all levels. Concentrating all our efforts on economic construction is the center of the party's work. Basang urged party committees and governments at all levels to persist in the policy of making economic development the central task and in the principle of giving equal emphasis on two fronts and doing well in both, truly change their work style, make solid implementation efforts, step up efforts in improving the party's work style and promoting the building of clean government, carry forward the spirit of plain living and hard work, maintain close ties with the masses, and do everything possible to help alleviate the people's difficulties. We should get a firm grasp of the situation, make arrangements for all sectors under a unified plan, seize the opportunity, enhance our confidence in facing the challenge, spare no effort in making this year's economic work a success, accomplish the various tasks in an all-round manner, lay a solid foundation for accomplishing the tasks in the Ninth Five-Year Plan, and do a better job in advancing the socialist cause in Tibet.

Yang Chuantang, deputy secretary of the regional party committee and executive vice chairman of the regional government, delivered a report entitled, "Unite as One in Making This Year's Economic Work a Success; Usher in a Good Start of the Ninth Five-Year Plan in a Pioneering Spirit." He said: In 1995, the last year of the Eighth Five-Year Plan, people of all nationalities across the region worked hard as one and with great success in all areas of endeavor. The region's GNP is estimated to have reached 5.25 billion yuan, up 10.6 percent over the previous year in terms of comparable prices and achieving a double-digit growth rate for the first time. The various indexes in the annual and five-year plans were fulfilled or over fulfilled. During the Eighth Five-Year Plan period, our region achieved relatively fast economic growth rates; the average GNP growth rate during the five years was 7.5 percent. [passage omitted]

Yang Chuantang pointed out in conclusion: Our region's economic development has entered the phase of sustained and fast growth. In the face of challenges, we are deeply aware the present situation also presents opportunities for us. So long as we seize the opportune time and go all out with confidence, we will certainly do well in this year's economic work and accomplish in an all-round manner the Ninth Five-Year Plan goals.



**PRC: Tibet Conference Urges Fulfillment of Targets, Tasks****OW3101135896 Lhasa XIZANG RIBAO in Chinese**  
6 Jan 96 p 1**[By reporters Cheng Xiaohong (4453 2556 4767) and Hu Kaiyou (0126 7030 0147)]****[FBIS Translated Text]** The Tibet regional economic work conference, which has drawn attention from people of all nationalities in Tibet, closed on 5 January at the Great Hall of the Tibetan People.

During the three-day meeting, secretaries from prefectural and city party committees, commissioners, and people in charge of economic departments attentively heard important speeches made by Basang and Yang Chuantang at the opening ceremony. They studied the guidelines laid down at the central economic work conference, the central leaders' speeches and the general demands, major tasks, policies, and measures of this year's economic work. They also enthusiastically took part in discussions about ways to bring about Tibet's sustained, rapid, and healthy economic development; to do a good job in this year's economic work; and to comprehensively realize various Ninth Five-Year Plan tasks. Thanks to the study and discussions at the meeting, participants further unified thinking; gained a clearer understanding of the guiding principle, target, and major tasks of this year's economic work; enhanced the sense of urgency for speeding up Tibet's economic development; and increased their confidence in grappling with various tasks.

Regional party Deputy Secretary Danzim presided over the closing ceremony.

Autonomous regional leaders attending the closing meeting included Gyalcan Norbu, Basang, Yang Chuantang, Buqiong, Li Wenguang, Li Ligu, Puqiang, Zheng Ying, Samding Doje Pamo, Deqinquzhen, Xu Minyang, Labe Pingcuo, Toinazhub, Cering Zhuoga, Luosang Toinazhub, Sun Qiwen, Luosang Danzhen, Lhamin Soinam Lhunzhub, Lhalu Cewang Doje, Tangmai Gongjue Baimu, Gonbasar Tubdanjigzha, Qaba Galsang Wangdui, Yang Youcai, and Duoqizha Ranzongqiamo Jizagballuosang.

Lieque, regional deputy party secretary and regional executive vice chairman, delivered an important speech entitled, "Conscientiously Implement and Do a Good Job in This Year's Economic Work," on behalf of the regional party committee and government. He said: Guided by the Ninth Five-Year Plan, which is aimed at the region's social and economic development, the current conference set forth new tasks and demands for the region's economic work in 1996. As this

conference is of vital importance for ensuring a good start of the Ninth Five-Year Plan, prefectures, cities, and relevant departments are urged to make the quickest arrangements for transmitting and implementing the guidelines laid down at the conference. As the tasks of this year's economic work are heavy and the demands set forth in this year's economic work are rather high, all levels of government and their functional departments are urged to make conscientious implementation. First, localities must conscientiously study and arrange this year's work in line with the current situation and with demands of current economic work; devise major work plans centering on effecting the "two fundamental economic shifts"; strive to promote the accelerated development of weak industrial sectors; and formulate concrete, detailed, and innovative work measures that are in line with the local situation. Second, all levels of party and government leading cadres must concentrate efforts on tackling major affairs and study and help find solutions for deep-seated contradictions that emerge in their regions and in their departments during the economic development.

When turning to this year's farming and animal husbandry work, Lieque pointed out: Agriculture, rural work, and farmers issues have always been major issues that concern the nation's economy and the people's livelihood. Over the past several years, all levels of party committees and governments have attached high importance to farming and animal husbandry and enhanced leadership over agricultural production, thus leading to the region's seven consecutive years of bumper harvests and reversing a situation in which agriculture suffered from chronic low-level production, and laying a foundation for stable agricultural development; this has been a tremendous achievement. How to consolidate the farming success and raise the current agricultural production to a new height this year? To achieve that end, Lieque called for ensuring sufficient funds, relying on technology, and formulating sound policies. He also called for improving grass-roots organizations in farming and pasture areas, for good arrangement of farming and animal husbandry work this winter and next spring, for making preparations against natural disasters, and for stressing the building up of animal feed reserves so as to lay a foundation for reaping a bumper harvest this year.

When touching on the problem of further stabilizing commodity prices, Lieque said: Tibet's price rise trend was checked to a certain degree and the rate of retail price rises fell in 1995. However, due to various reasons, price control was not a complete success, which will make the price control task in 1996 more difficult. Therefore, it is necessary to continue with the efforts of improving the responsibility system over

price control, step up control over the general price rise level, further perfect various price management systems and control measures, enhance management over fee collection work, reform and improve the fee-collection management system, intensify efforts to monitor commodity prices, make great efforts to bring order to market price order, and standardize market price behavior. All levels of financial and commercial departments are urged to ensure the proper amount of grain and nonstaple food reserves and risk funds, so as to facilitate regulating market supply and holding down prices.

On straightening out the economic order and strict enforcement of financial discipline, Lieque called for enhancing ideological education, strengthening management supervision, promoting "quasi-zero-based budget" to standardize financial expense behavior, strictly setting up a boundary between within-the-budget and outside-the-budget expenses, setting up a "special financial account" reserve system for extra-budget income, and specially assigning financial experts to major money-making or money-losing enterprises, particularly to policy-related money-losing enterprises because they may greatly affect financial revenue. Auditing departments will perform auditing supervision, according to the law, on the financial income and expenditure of units directly under the regional government, of prefectural (city) and county financial organs, and of institutions and enterprises; they will help uphold the state's financial and economic laws and regulations and fully play their auditing roles in the national economy's macro-management.

In conclusion, Lieque presented a comprehensive and concrete plan on doing a good job in the comprehensive management of social order and in further stabilizing the situation. He called on all levels of party committees and governments to correctly handle the relations between reform, development, and stability and conscientiously perform well this year's economic work.

Regional party Deputy Secretary Danzim also spoke on doing a good job in implementing the conference guidelines. He stressed: Convening a good meeting and producing a good document are only a beginning, the key lies in conscientious implementation. This year, being the first year of the Ninth Five-Year Plan, has a direct bearing on Tibet's fulfillment of the targets and tasks set forth at the central government's Third Tibet Work Conference by the end of this century. He expressed the hope that the people of all nationalities in Tibet would unify thinking and understanding and that the whole party would work hard to help bring about a sustained, rapid, and healthy economic development in Tibet.

**PRC: Construction Projects Planned for Lancang River**

*OW2601083396 Beijing XINHUA in English*  
*0746 GMT 26 Jan 96*

[FBIS Transcribed Text] Kunming, January 26 (XINHUA) — An estimated 100 million yuan (about 12.04 million US dollars) is expected to be poured into the construction of harbors on and the dredging of parts of the Lancang River to cope with the growing volume of international transportation on the river.

The river flows through southwest China's Yunnan Province and is linked with the Mekong River flowing through five countries in Southeast Asia.

The construction projects will enable the Lancang River to handle 700,000 tons of cargo and 1.05 million passengers annually by the end of this century. In 1995 the river saw the shipment of 30,000 tons of foreign trade cargo and 10,000 international passengers.

The Chinese Ministry of Communications and the Yunnan Province have jointly started a dredging project on the 200-km section between Nandeba and Ganlanba. When the project is completed, the 260-km section in Yunnan will be able to accommodate 100-dwt passenger ships and 300-dwt cargo vessels in the high-water period.

At present, China has over 60 domestic and international passenger and cargo vessels on the river. Ten more vessels are expected to be added to the fleet this year, doubling the cargo volume to 60,000 tons.

**PRC: Yunnan Largest Base for Phosphorus Chemicals**

*OW0102115396 Beijing XINHUA in English*  
*0932 GMT 1 Feb 96*

[FBIS Transcribed Text] Kunming, February 1 (XINHUA) — Southwest China's Yunnan Province, which abounds with phosphorus resources, is striving to develop itself into China's largest industrial base of phosphorus chemicals.

In the year 2000, Yunnan will turn out 10 million tons of phosphorus ores, accounting for 40 percent of the country's total, one million tons of phosphorus fertilizer, about 25 percent of the country's total, and 500,000 tons of industrial phosphoric acid, 50 percent of the total, according to a plan of the provincial government.

Yunnan Province has been improving transport facilities to pave the way for the development of phosphorus chemical industry in recent years.



The province has verified phosphorus reserves totalling 20 billion tons.

Since 1990, the province has scored an annual production of five million tons of phosphorus ores, 850,000 tons of synthetic ammonia, 600,000 tons of nitrogenous fertilizer, and 450,000 tons of phosphorus fertilizer.

**PRC: Yunnan Vows To Improve Environment**

OW0102035696 Beijing XINHUA in English  
0242 GMT 1 Feb 96

[FBIS Transcribed Text] Kunming, February 1 (XINHUA) — Yunnan Province in southwest China has vowed to improve its environment with the help of international organizations over the next five years.

The province plans to spend nearly 10 billion yuan (about 1.2 billion US dollars) to control industrial pollutions, improve urban environment and protect ecologic system for major local rivers and lakes, according to an official of the Provincial Environmental Protection Committee.

This includes the construction of several waste water treatment plants with a daily capacity of 300,000 tons.

The World Bank has expressed its intention to grant a 150 million US dollar loan to the province to beef up its efforts to control pollutions of the Dianchi Lake, which will need a total investment of 3.5 billion yuan, the official said.

Over the past two years, Yunnan has spent about one billion yuan on controlling pollutions, he said, adding that last year, it received three million US dollars of grant in aid from the United Nations Development Program and other international organizations and a 4.5-million US dollar loan from the governments of Germany, the Netherlands and other countries.

Meanwhile, a five-million yuan fund has been set up by the Hong Kong Goldlion Group Co., which is intended for environmental research, publicity, supervision and personnel training, the official said.

**PRC: ARATS Official Stresses Jiang's Taiwan Speech**

**OW0102165296 Beijing ZHONGGUO XINWEN SHE in English 1340 GMT 1 Feb 96**

[FBIS Transcribed Text] Beijing, February 1 (CNS) — An official with the Association for Relations Across the Taiwan Straits (ARATS) said that now was the anniversary of Chinese President Jiang Zemin's important speech on the "Promotion of Unification and Continuous Struggle". ARATS should continue to work hard to develop relations between China and Taiwan and contribute to the reunification of the motherland in accordance with principles set out in Jiang's speech.

Recently, the Taiwanese authority put forward many arguments relating to the early restoration of negotiations and had expressed its so-called "sincerity in negotiation". The official pointed out that, in fact, the Taiwanese authority was speeding up its pace for the creation of "dual recognition".

Taiwan has purchased a lot of military equipment from certain other countries and tried to stir up Taiwanese opposition to the mainland, the official said. These facts show that Taiwan's advocacy of "restoration of negotiations" conceal its separatist designs.

"One thing that needs attention is that in negotiations between the SEF and ARATS over the past few years, the SEF has often repudiated the earlier understanding reached by both parties and thereby laid obstacles in the path of resolution. ARATS made many efforts at successful negotiations and resisted the Taiwan plots by insisting on the principle of 'one China'."

**PRC: CCPPR, CPPCC Forum on Jiang's Reunification Speech**

**OW0102135196 Beijing XINHUA in English 1323 GMT 1 Feb 96**

[FBIS Transcribed Text] Beijing, February 1 (XINHUA) — The China Council for the Promotion of Peaceful Reunification (CCPPR) and the Liaison Subcommittee for Taiwan, Hong Kong and Macao Compatriots and Overseas Chinese of the Chinese People's Political Consultative Conference (CPPCC) held a forum here today to mark the first anniversary of President Jiang Zemin's speech entitled "Continue to Promote the Reunification of the Motherland".

Wan Guoquan, vice-chairman of the CPPCC and president of the CCPPR, presided over the forum.

He said that Jiang Zemin's eight propositions form a programmatic document for developing relations between the two sides of the Taiwan Straits, and Premier

Li Peng's speech the other day reaffirmed the Chinese government's stand on solving the Taiwan question.

He said that Li Teng-hui's separatist activities not only sabotage the exchanges across the straits, but also jeopardize the people's interests on both sides.

Meanwhile, the Civil Aviation Administration of China (CAAC) also held a forum in Beijing today to commemorate Jiang's speech.

All the attendants urged the Taiwan authorities to examine the situation closely and respond positively to Jiang's speech on the direct exchange of trade, mail, and air and shipping services between the two sides.

Chen Guangyi, director of the CAAC, said that despite interference by the Taiwan authorities, progress has been made in unofficial exchanges and economic cooperation between the two sides.

He noted that it is imperative to realize direct air service exchanges between the two sides, and various preparations has been made ready for this.

**PRC: Beijing Sets Condition for ARATS-SEF Talks**  
**HK0202092896 Hong Kong WEN WEI PO in Chinese 14 Jan 96 p A1**

[Dispatch by staff reporter Tseng Shu-wan (2582 2579 8001): "Chinese Mainland Says It Will Be Difficult for ARATS and SEF To Have Normal Contact Because Taiwan Has Not Restrained Itself in Creating 'Two Chinas'"]

[PTS Translated Text for FBIS] Beijing, 13 Jan—An authoritative person here has condemned the Taiwan authorities for continuously undermining the basis for talks between the Association for Relations Across the Taiwan Strait (ARATS) and the Straits Exchange Foundation (SEF). He reaffirmed: A precondition for holding ARATS-SEF talks is that both parties must recognize one China and that the Taiwan authorities must return to the one-China stand. Only in this way can normal contact between ARATS and SEF be held. It is learned that the Taiwan side has made an exploratory inquiry about holding a cross-strait nongovernmental economic exchange meeting. The meeting was originally suggested by ARATS but the Taiwan side failed to give a positive response.

The authoritative person pointed out: The ARATS-SEF meetings were held on the precondition that both sides recognized "one China." The two organizations reaffirmed this stand when they held meetings. Since the second half of last year, Li Teng-hui has undermined the basis of the talks by visiting the United States and going in for "two Chinas" in a big way in the international



arena, making it impossible for the two organizations to have normal contact. We deeply regret this. The Taiwan authorities have not restrained themselves in creating "two Chinas" on the international arena as evidenced by their recent "resumption of diplomatic relations" with Senegal and Li Yuan-zu's "transit stop" in the United States. This shows that the Taiwan authorities continue to create obstacles to the resumption of ARATS-SEF talks and that they are not sincere when they ask Beijing about the possibility of holding a cross-strait nongovernmental economic exchange meeting.

As for Li Teng-hui's continued engagement in acts of splitting the motherland, the authoritative person asserted categorically that he would not succeed in his plot. In his view, first, through several military exercises the Chinese People's Liberation Army has clearly expressed to people at home and abroad its resolve to safeguard state reunification; second, cross-strait links are so close that they cannot be severed. After the Chinese mainland drastically reduces its import tax rates this year, cross-strait trade volume is expected to increase by 25 percent, with Taiwan enjoying a trade surplus of 20 billion [no currency given]. Cross-strait exchanges have benefited Taiwan, and the Taiwan people are opposed to a split.

**PRC: CAAC Head Urges Direct Air Service to Taiwan**

OW0102134296 Beijing XINHUA in English  
1305 GMT 1 Feb 96

[FBIS Transcribed Text] Beijing, February 1 (XINHUA) — Chen Guangyi, director of the Civil Aviation Administration of China (CAAC), said here today that China's mainland is getting everything ready to open a direct air service across the Taiwan Straits.

Speaking at a meeting here today in the commemoration of the first anniversary of Chinese President Jiang Zemin issuing a speech on the reunification of the motherland, Chen said that in the past year the civil aviation circles on the both sides of the Taiwan Straits conducted exchanges and co-operation covering a wide range of aspects.

A delegation of the China Civil Aviation Association composed of experts and scholars led by Li Zhao ex-

changed views with its Taiwan counterparts in Taiwan on six topics concerning the direct air service, he said, adding that the association also sponsored a seminar in Beijing on the air transportation on both sides of the Taiwan Straits. The two sides discussed in a pragmatic way the relevant technology and business of the direct air service and air cooperation and widened the consensus in these areas, he said.

Over the past year, Chen said, several Taiwan aviation companies have sent staff members to the mainland and explored the possibilities of investment in civil aviation areas and cooperation on the joint transportation.

Last year, Chen said, "We established the Macao Aviation Company with the mainland as its major shareholder, the first of its kind abroad, thus opening the airline linking the two sides of the Taiwan straits via Macao."

He said civil aviation is important for the national economy and it can make positive contributions to the realization of postal, air and shipping services on both sides of the Taiwan Straits at an early date.

Since China's reform and opening up started, he said, CAAC's passenger flow has kept an average annual increase rate of over 20 percent.

Chen said that this year the total turnover volume is expected to amount to 8.2 billion ton/km, the passenger transportation capacity to 60 million people and mail freight volume to 1.18 million, representing respective increases of 14.9 percent, 17.4 percent and 16.8 percent.

Meanwhile, Chen said, great progress has also been made in infrastructure facilities, air management, air-plane repairing, scientific and research education, personnel training and making good use of foreign investment, thus laying a better foundation for the direct air service across the Taiwan Straits.

Chen urged the Taiwan authorities to comply with the historical trend of the times and positively respond to Jiang Zemin's proposals on opening postal, air and shipping services, and take specific steps to speed up the process of opening direct air service.

**Taiwan: ARATS Criticizes 'Meddling' in Hong Kong Affairs**

OW0202021896 Taipei LIEN-HO PAO in Chinese  
29 Jan 96 p 5

[Dispatch from Beijing by reporter Li Chun (2621 2504)]

[FBIS Translated Text] In an interview with LIEN-HO PAO yesterday, Tang Shu-pei [Tang Shubei], executive vice chairman of the mainland's Association for Relations Across the Taiwan Strait [ARATS], criticized Taiwan's meddling in Hong Kong and Macao affairs as an attempt to coordinate with Hong Kong Governor Chris Patten to create chaos in Hong Kong. Commenting on the view contained in the "regulations on Taiwan-Hong Kong relations" and on statements by Taiwan officials stationed in Hong Kong, which allows people in Hong Kong with political problems to go to Taiwan after 1997, Tang Shu-pei said: "We criticize such a view. Taiwan's meddling in Hong Kong and Macao affairs and its joint promotion of democracy there is actually an attempt to coordinate with Chris Patten to create chaos in Hong Kong. Is there anything in Hong Kong that needs Taiwan's meddling? Hong Kong will maintain its prosperity and stability; and relations between Hong Kong and the mainland will be very close. Why is it necessary for the Hong Kong people to seek political refuge or refuge of any other nature in Taiwan?"

Tang Shu-pei said: We welcome exchanges of personnel between Hong Kong and Taiwan, and such exchanges should be maintained. In accordance with the fourth of Chien Chi-chen [Qian Qichen]'s seven-point proposal, personnel exchanges between Hong Kong and Taiwan should be arranged by the central government based on reciprocity and mutual benefit.

He added: There is no problem for nongovernmental, economic, and cultural exchanges, which are not bound by the Basic Law. However, exchanges between officials, official contacts, and signing of agreements shall be arranged and approved or authorized by the central government, and be implemented by the government of the Hong Kong Special Administrative Region.

He said: The current state of Taiwan-mainland relations has been caused by Taiwan's refusal to accept the principle of one China and its pursuit of "two Chinas."

He said: As declared by Chien Chi-chen on behalf of the central authorities, there will be no problem for Taiwan's economic and other nongovernmental organizations stationed in Hong Kong engaging in registered activities. However, if Taiwan's organizations engage in activities other than those registered, they will be handled differently.

When asked about the future of the Chinese Travel Agency in Hong Kong, Tang Shu-pei said: "It will depend on whether the agency engages in activities other than those for which it is registered." However, he added, all of Taiwan's current organizations in Hong Kong are not governmental organizations.

He said: Regardless of whether the two sides hold talks or not, economic and other nongovernmental exchanges will continue on the basis of the people's demand. Whether the two sides hold talks or not, the central government will make arrangements on things to be done by the mainland.

Turning to Hong Kong-Taiwan navigation rights, he said: Currently, talks are going on between Cathay Pacific Airlines and Taipei. This matter is the mainland Foreign Ministry's responsibility. After 1997, ARATS will take part in the talks.

He added: So far there is no plan for the CPC's Taiwan Affairs Office and ARATS to set up a special agency in Hong Kong after 1997.

**Taiwan: 'Secret' Report on Taiwan Strait Situation Cited**

OW3101104896 Taipei CNA in English  
0904 GMT 31 Jan 96

[By Peter Chen]

[FBIS Transcribed Text] Canberra, Jan 31 (CNA): Australia plans to ask other nations in Asia and the Pacific to engage in preventive diplomacy to urge Taiwan and China to resolve their internal dispute peacefully to avert the dangers of any major conflict which will have major impact on the regional security.

In a secret assessment report, obtained by the CNA today, the Department of Foreign Affairs and Trade said Australia should be urging Taiwan's major economic partners to exert their influence on Taiwan, stressing both regional security and bilateral concerns that the conflict between the two sides of the Taiwan Strait will have "major implications for regional security."

"We therefore urge China and Taiwan to resolve the matter peacefully themselves," the report says.

The report also says there is scope for countries of the region to "engage in collective or unilateral preventative diplomacy."

It says the United States is clearly the country best able to implement preventive diplomacy policies in respect of China and Taiwan.

"It will be important for Australia and other regional countries constantly to keep before the attention of



the U.S. authorities and Congress our concerns over the dangers of China-Taiwan conflict if the situation is not properly managed, and to urge on the various constituencies within the U.S. the need for an active U.S. policy which encourages both China and Taiwan to manage their differences through dialogue and cooperation rather than military means," the report says.

Taiwan's active push for its international recognition and its efforts to seek UN membership and above all, the U.S. visit of president Li Teng-hui last June have angered Mainland China, which recently resorted to missile shooting practices and military exercises near the Taiwan Strait.

The report says: "The Li Teng-hui visit has forced the Beijing leadership to adopt to a tougher stand. China's official position is that it will use force to prevent Taiwan independence and (more ambiguously) would also intervene militarily in the event of foreign countries 'interfering in Taiwan.'"

"The PLA (People's Liberation Army) will seek to ensure Beijing sticks to this tough line," the report says.

The report says Beijing's position that Taiwan is an inalienable part of China has the broadest possible support, not simply in the Communist Party and the PLA, but amongst the Chinese population as a whole.

"It is a matter which goes to the heart of the legitimacy of any government of China. No government in Beijing, particularly in the absence of a single all-powerful national leader, can be seen to allow Taiwan to achieve the symbols of independent status, much less fail to prevent independence," the report says.

It says the conflict between Taiwan and China would lead to a major regional crisis, into which the United States could well be drawn.

The conflict is clearly inimical to Australia's economic and strategic interests in promoting a tension-free cooperative Asia-Pacific region, the report says.

"Australia has increasingly vital economic interests with both China (and Hong Kong) and Taiwan, and would not wish to see these jeopardised by China-Taiwan conflict," according to the report.

The report points out the optimal solution is for China and Taiwan to resolve their differences through dialogue, and to agree on a modus vivendi that strengthens regional security.

#### \*Taiwan: Poll on Public Attitudes on Key Issues

96CM0091A Taipei HSIN HSIN WEN [THE JOURNALIST] in Chinese 21 Oct 95  
No 449, pp 48-52

[Article by Chou Yen-fu (0719 1750 3940): "The Sixth Consecutive Year of Polling by HSIN HSIN WEN on Key Current Issues in Taiwan Makes the Crucial Finding That the Numbers of Those Fearing War Have Reached a New Record High, With 30 Percent Considering Emigration Showing Just How Glaring the Crisis Has Become"]

[FBIS Translated Excerpt] [Passage omitted] The threat of war to Taiwan is coming mostly from the mainland, with the dominant development in cross-straits relations being the possibility of war. After the Qiandao Hu [Thousand Islands Lake] accident, from 1993 to 1994, the relations between Taiwan and the mainland—except for a lack of persistence at the conference table (between SEF and ARATS [expansions not given])—have been in a state of stability and peace. HSIN HSIN WEN's past public opinion polls showed that the percentage of those in Taiwan afraid of the possibility of war had dropped from 40.7 percent in 1993 to 35.7 percent by 1994.

But in 1995, the PRC's military exercises to intimidate Taiwan have left cross-straits relations in a state of unprecedented tension, with war seemingly about to break out. This has increased at once the percentage of those fearing war by roughly 10 points to 45.3 percent, showing the extent of public concern in Taiwan. Such an anxious mindset has spread in all respects, regardless of either age, education, origin, or party showing with over 40 percent expressing a fear of war. The only exception is by gender, with only 36.1 percent of male respondents fearing war, while 43.8 percent of women express such fears. As to those not fearing war, the figures are 55.7 percent for men and 37.9 percent for women, for an even larger gap. As to a cross analysis by changing living standards, respondents whose living standards are better fear war two points less than those whose living standards are worse, which figure is four points more for those who do not fear war, and which differs somewhat from the ordinary impression that the better-off yearn for stability and fear change. With the fear of war shrouding Taiwan to create such an insecure mindset, are the numbers of those wishing to leave consequently up? As 32.4 percent of respondents express the possibility of emigration, that immediately pushes up their percentage from 1994 by seven points, while setting a new record for HSIN HSIN WEN polling results. The successive years of data certainly show a correlation between the numbers wishing to emigrate and those fearing war in Taiwan. The jump in the

numbers fearing war from 1992 to 1993 was probably also accompanied by a rise in emigration. With the eased cross-straits relations from 1993 to 1994, less feared war, with less also wishing to emigrate. But in 1995, with the percentage of those concerned about war setting a new record, the figures on possible emigration are correspondingly high.

A cross analysis of these two variables also shows that 40 percent fear war and may emigrate, with only 25 percent not fearing war but still being possible emigrants, all of which shows that the sense of crisis over war has certainly shaken things up. In addition, all college-educated professionals are more likely to emigrate than the average, with more of those from other provinces who can emigrate not wishing to stay in Taiwan than other groups, or 38.9 percent. Of course, such considerations may also include factors such as public order and education.

Is the threat of war also affecting the public view of the development pace of cross-straits relations? There are 29.9 percent of the public who hold that cross-straits relations are growing too fast, with 23.2 percent of respondents holding them to be growing too slowly, and 21.9 percent feeling that the pace is just right. The percentage of those holding the pace to be too fast is up slightly from 1994, while that of those holding it to be appropriate, which was 30.8 percent in 1993 and 41.1 percent in 1994, has slipped sharply to 21.8 percent. But while this shows that the PRC's recent intense military threats have certainly disturbed the people of Taiwan, it may also show discontent with the extent of the government's control over cross-straits policy.

Is the ordinary person in Taiwan concerned with international affairs? While 60.2 percent of respondents hold that the public is so concerned, this figure is certainly not particularly conspicuous in our successive polls, being up only around 10 points from 1994.

Another key piece of news shown by this poll is that the public perception that the country lacks good leadership is up again. The data show that 42.8 percent of respondents feel that our country lacks good leadership, which figure is up about 4 percent from 1994, as well as setting a six-year record.

In addition to the yearly loss of confidence in the government's leadership ability, as many as 60.9 percent of the public also hold that "senior political figures are involved in power struggles to the neglect of public opinion," which is undoubtedly sending out the strongest warning about the leadership mindset of the Taiwan leadership. Having broken free from non-mainstream entanglements, the ruling KMT has fallen into another political whirlpool of inner-party

dispute over presidential campaigning. While the figure reflected in this poll is not as alarming as its 62.3 percent and 63 percent of 1993 and 1994 when the mainstream and non-mainstream were engaged in a lively struggle, it is not much less so. Under the dual impact of the public's steady doubts about the Administration's capability and discontent with the Administration's mindset, it is no wonder that KMT election personnel are issuing repeated warnings about the successive slide in electoral support. With the ever-growing public discontent with Administration officials, the perception of congressmen who boast about being the public mouthpiece is quite interesting. This poll shows extremely low public satisfaction with public representatives, with 66.4 percent of respondents holding that public representatives are acting only in their own interests without regard for public opinion, up 1.5 points from 1994. Coincidentally, the data analysis of the age-distribution was the same for 1994 and 1995, showing respondents from 30 to 39 years of age being most discontent with their public representatives, with over 70 percent agreeing that "public representatives do not reflect public opinion, acting only in their own interests."

The state of public order is a most direct and ever-growing public concern. Despite the constant police road inspections, patrols, and intensified criminal investigations out of security considerations, public order remains a major serious issue of concern to the Taiwan public, with 70.3 percent of respondents holding that the public order problem is severe, the highest in six years, while 42.1 percent hold that it is exceptionally severe. Moreover, the better educated hold that public order is worse, in a consistently rising straight line distribution. As to the gender gap, men hold that public order is serious by three points more than do women, or 71.8 percent, which differs considerably from past polls in which the figure was higher for women and for men.

In the past year or two in Taiwan, the education problem has become a focus of much concern. Since the Education Reform Commission was established, it has steadily made a systematic examination of education, as well as setting forth reforms, seemingly now painting a beautiful scene for Taiwan education. But ironically, 57.5 percent of the public agrees that Taiwan education has failed, which is another six-year record that is probably related to the common previous occurrence of cases such as aggressive teenage drivers hitting pedestrians and money-worshipping teenage girls willing to do anything for cash.

The slogan of "a culture of Taiwan" has long been shouted to the skies in Taiwan, with its wave of cultural invigoration and searching for roots certainly having



raised the awareness of the Taiwan public. A majority of respondents do not agree that Taiwan does not have its own culture. In other words, at least 50 percent hold that this land on which they live certainly has its own flesh and blood and historically inherited blood ties and lifelines. But as to provincial origin, 55 percent of respondents born in other provinces hold that Taiwan has its own culture, which is the highest for all groups, showing that they certainly do not feel particularly distant. Conversely, only 37 percent of the original inhabitants of Taiwan hold that Taiwan has its own culture, showing a very weak sense of identification. But it is of concern that the percentage of those agreeing that Taiwan does not have its own culture has risen from 1993's 25.9 percent to 1994's 28.6 percent and then to 31.2 percent for 1995, with our polling results for these years showing this rate only rising, never having fallen. So the hardly dissolvable cross-straits political sentiments with the loss of identification produced by the steady modernization of Taiwan society could hardly not affect the public identification with Taiwanization.

Judicial problems in Taiwan have always been an object of public denunciation. President Lee Teng-hui has said that he is campaigning for reelection because there are many unfinished matters, one of which is judicial reform, which actually shows clearly that the Taiwan judiciary is certainly subject to many problems. While the public has always been trained to say that the judiciary is the final arbiter of justice, since as many as 49.6 percent agree that the courts are unjust, it seems that there are certainly few who believe that and look up to it as the standard. But in contrast to 1994, the percentage of those who hold that the judiciary is unjust is down slightly from 52.5 percent to 49.6 percent, while that of those disagreeing with this is also up slightly from 15 percent to 17.3 percent, which shows a trend of confident optimism. This trend is probably related to the many recent judicial events that have occurred such

as small town mayors with syndicate ties being sued as gangsters, the reversion to the courts of detention authority, and the sentencing of judges for bribery, which have brought the public to a certain sense that the light is starting to dawn on the judiciary.

In 1995, as to whether living conditions have changed, 26.6 percent of respondents have a positive view which, in contrast to 1994 when 21.2 percent responded that they were satisfied—holding that their living conditions had improved—is up no more than about five points. But looking back over the years, this figure remains too low. A cross analysis by age shows that over 30 percent of the 18-29 age group feel that their living conditions are better, which is quite peculiar in light of the degree of satisfaction among all other age groups being only about 20 percent. By gender, 15.2 percent of women but 18.7 percent of men believe that their living conditions are worse, showing that men seem to have more complaints about their living conditions.

In fact, living conditions is a comprehensive and overall emotional indicator, as this poll shows the outline of Taiwan society to be a scene of unpromising gloom, with the equal concern about the steady loss of political expectations and confidence and the state of public order, the new record set by those who hold that education has failed, the judiciary remaining unjust, the ever growing numbers who have lost a sense of cultural identity, and the inescapable clouds of war. Even the material prosperity hardly fills the public void, which is why this year, as to whether living conditions have changed, a high of 52.9 percent still hold that their lives are neither better or worse. Meanwhile, that this figure has remained high in six consecutive years of polling probably sends the message to those officials and public representatives who are always prating about creating a better future for the public that they had better watch out.

**Hong Kong**

**Hong Kong: 'Major Progress' Reported in JLG Talks**

*OWO102140696 Beijing XINHUA in English*  
*1333 GMT 1 Feb 96*

[FBIS Transcribed Text] Hong Kong, February 1 (XINHUA) — Experts from the Sino-British Joint Liaison Group (JLG) closed their talks on the mechanism for application of international agreements to Hong Kong here this evening with both sides claiming major progress at the meeting.

In an interview with XINHUA, Wang Weiyang, Chinese JLG representative, said that during the two-day meeting, the Chinese and British experts engaged in in-depth, helpful and constructive discussions, noting that the meeting was very successful.

He said that the mechanism for application of international agreements to Hong Kong is a very complicated, particular and professional issue, which is important to Hong Kong's prosperity and stability as well as to its future development.

He said, "I'm very delighted to say that we have made major progress and it will be declared at the JLG's 35th meeting next week."

James Hanratty, the British expert team leader, said that the progress reflected the joint efforts of the two sides in the past six years and it will enable Hong Kong to continue to apply 200-plus international treaties under the Chinese sovereignty after 1997.

**Hong Kong: JLG Experts Reach Consensus on Budget**

*OWO102131596 Beijing XINHUA in English*  
*1249 GMT 1 Feb 96*

[FBIS Transcribed Text] Hong Kong, February 1 (XINHUA) — Experts of the Sino-British Joint Liaison

Group (JLG) reached consensus today in their sixth round of talks on the preparation of Hong Kong's budget for the transitional period.

At a news briefing after the three-day meeting was closed today, Chen Zuo'er, Chinese JLG representative, said, "I'm very pleased that the British side has basically accepted the Chinese team's three-point suggestion concerning Hong Kong's financial budget for the 1997-98 fiscal year."

According to Chen, the first point of the suggestion stresses the guidelines stipulated in Articles 107 and 108 of the Basic Law in the draft of the budget.

Chen said that the Chinese side will continue to follow the prudent principle for financial management and effective management of the financial system.

Second, he said, the Chinese side will draft a budget which will cover 12 months, from April 1, 1997 to March 31, 1998.

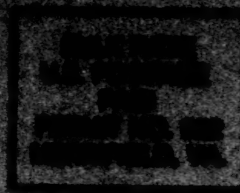
He said that it is a complete financial budget which will take into account the interests of all parties involved.

The third point of the suggestion from the Chinese side stresses cooperation between the two sides so as to engage in the budget drafting in a smooth manner.

Chen noted that it is a historical task for the Chinese and British sides to jointly draft the 1997-98 budget which is a particular one in Hong Kong's transitional period.

He said that the joint drafting of the budget is in line with Hong Kong's smooth transition as well as the smooth handover of the political power.





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